

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

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|-------------------------------|---|---|
| ePLUS INC., |) | |
| |) | |
| Plaintiff, |) | Civil Action No. 3:09-CV-620 (REP) |
| |) | |
| v. |) | |
| |) | |
| LAWSON SOFTWARE, INC., |) | |
| |) | |
| |) | |
| |) | |
| Defendant. |) | |

**PLAINTIFF *ePLUS* INC'S OBJECTIONS TO DEFENDANT'S COUNTER
DEPOSITION DESIGNATIONS, COUNTER-COUNTER DESIGNATIONS
AND REVISED SUMMARY OF THE DEPOSITION OF
KEITH LOHKAMP (OCT. 20 AND 21, 2009)**

Plaintiff, *ePlus*, Inc. ("*ePlus*"), through counsel, hereby submits the following specific objections to Defendant Lawson Software, Inc. ("*Lawson*")'s Counter-Deposition Designations of the deposition of Keith Lohkamp (October 20 and 21, 2009) and offers the following counter-counter designations and revised summary:

Specific Objections

| Defendant's Counter Designations | <i>ePlus</i> 's Objections to Defendant's Counter Designations | <i>ePlus</i> 's Counter-Counter Designations |
|----------------------------------|--|--|
| 13:9-14; 14:2-11 | 401/402 | |
| 23:1-6 | 602 | |
| 23:7-21 | 602 | |
| 27:22-28:2 | 401/402 | |
| 29:1-8 | 401/402 | |
| 33:3-34:5 | 602 (33:20-34:5) | |
| 35:1-20 | | |
| 36:3-9 | | |

| Defendant's Counter Designations | ePlus's Objections to Defendant's Counter Designations | ePlus's Counter-Counter Designations |
|---|---|---|
| 89:16-92:5 | | |
| 38:4-6 | 401/402 | |
| 39:7-12 | | |
| 139:11-16; 167:16-19 | | |
| 41:5-42:1 | 602 | |
| 60:5-13 | 401/402; 602 | |
| 66:22-67:10 | 401/402 | |
| 68:3-5 | 401/402 | |
| 68:18-69:1 | 401/402 | |
| 69:7-15 | | |
| 71:20-72:4 | 401/402 | |
| 73:8-74:6 | 401/402 | |
| 75:9-11 | 401/402 | |
| 75:16-76:6 76:8; 76:10-14 | 401/402 | |
| 81:13-21 | 401/402 | |
| 83:7-10 | | |
| 85:21-88:6 88:8-9 | 401/402 | |
| 94:1-19 | | |
| 100:18-22 | 401/402 | |
| 102:15-19 | 401/402 | |
| 134:14-135:8 | | |
| 141:9-18 | | |
| 148:19-22 | | |
| 158:9-18 | | |
| 160:4-13 | | |
| 175:11-14 | 602 | |
| 184:14-22 | 401/402 | |
| 185:16-186:10 | | |
| 209:18-210:2 | 602 | |
| 213:10-13 | 401/402 | |
| 228:15-229:1 | | |
| 234:15-235:10 | | |
| 240:1-3 | | 240:4-6 |
| 255:22 | | |
| 265:12-268:3 | | |
| 268:8-9 | | |
| 268:14-17 | | |
| 351:4-15 | | |

| Defendant's Counter Designations | ePlus's Objections to Defendant's Counter Designations | ePlus's Counter-Counter Designations |
|---|---|---|
| 356:2-357:1 | | |
| 357:18 – 358:15 | | 358:21 – 359:5; 359:8-9 |
| 359:11-19 | | |
| 363:10-13 | | |
| 366:5-9 | | |
| 369:2-5 | | 369:6-10 |
| 373:16 – 374:4 | | |
| 376:15-19 | 602 | |
| 399:2-14 | 401 | |
| 410:18 – 411:9 | 401 | |
| 422:2-21 | | |
| 423:3-16 | | |
| 424:6-12 | 401 | |
| 424:18 – 426:3 | | |
| 426:6 | | |
| 426:8 – 428:2 | | |
| 433:2-8 | 611 | |
| 433:10-11 | 611 | |

Revised Summary – Day 1

Designated testimony relates to:

Mr. Lohkamp is a product strategist for the S3 Supply Chain Management suite. 13:3-8; 31:1-7. Mr. Lohkamp works within the product management department at Lawson. 45:9-16. His duties include determining the roadmap of where to invest in new applications within the Supply Chain Management suite. 15:14-21. He also works with writing up requirements for specific products and supports sales and marketing by providing product information for marketing materials and the sales process. 15:22-16:12. This product information includes information as to the features and functionality of some of the software solution in the Supply Chain Management suite in order to educate potential customers of Lawson. 16:13-18.

Mr. Lohkamp has spoken with some industry analysts with respect to the Supply Chain Management solutions offered by Lawson, including Gartner, Forrester, Aberdeen, VDC, and AMR. 16:19-18:5. Mr. Lohkamp reviewed and commented on a new report from Gartner that describes the Lawson Software procurement applications. 115:1-16. Lawson subscribes to publications by these industry analysts. 18:10-13. Lawson reviews and sometimes relies on information provided by these industry analysts for its own internal decision making. 19:7-11. Mr. Lohkamp has had occasion to review reports from Gartner, Forrester, Aberdeen, VDC, and AMR, some within the last 30 days. 18:14-19:3; 20:5-21:8. Mr. Lohkamp has personal subscriptions to a number of these industry-analyst reports. 20:2-4. Gartner and Forrester are the two he uses most. 20:12-16. He uses these reports to see what is going on in the market, including who the competition is in the Supply Chain Management sphere, and to see the ratings of features of other companies, which is important to know if Lawson wants to stay competitive with other companies in the marketplace. 21:16-22:12. These reports also provide Lawson with intelligence with respect to market trends, new market opportunities, and information and intelligence with respect to potential new product offerings. 22:13-22. As far as Mr. Lohkamp could recall, he had never made recommendations to Lawson as to new product offerings that Lawson should consider as a result of the information and intelligence provided by those industry reports, and he could not give one specific application that he may have recommended as a result of information gathered from an industry report. 23:1-6; 23:17-21. In his role as a product strategist to provide a roadmap as to where to invest in new applications, Mr. Lohkamp has used these reports to show market trends, such as the focus of a particular industry. 23:7-16. Two new applications that Mr. Lohkamp recommended that the company consider or adopt were a supplier portal and a new product item add process. 23:22-24:8; 24:14-15. For the supplier portal, Mr. Lohkamp put together a business case on functionality to connect with suppliers. 25:2-7. The company adopted a supplier portal, called Supplier Order Management, in 2008. 28:14-19. The purpose of the supplier portal is to provide suppliers with access to information about purchase orders and view the status of their invoices. 29:9 1-14. This application is sold to buyers. 29:15-30:11. The new product item add process is a workflow for end users to request to add a new product to the Item Master, which is a list of products available from suppliers within the Inventory Control module. 34:6-22; 35:21-36:2. The customer populates the inventory control module with data it obtains from a supplier. 35:1-20; 36:3-9. The company also adopted the specialty department inventory that is offered to the healthcare industry as part of the S3 product suite. 32:21-33:2. Mr. Lohkamp was not aware of whether

Lawson offers any products that allow a user to identify available supplier inventory that a buyer can access to determine whether a desired product is available.¹ 33:3-34:5.

At the highest level of Lawson's software products, there are product suites. 26:19-27:6. The next breakdown is an application, and then there are specific product modules. *Id.* The distinction between modules and applications is based on how they are licensed by Lawson. 28:3-13. A customer could license an application comprised of multiple modules. *Id.* Requisitions, Inventory Control, and Purchase Order are modules. Requisitions Self-Service, Procurement Punchout, Lawson EDI, Vendor Self-Service, and Supplier Order Management are applications. 27:11-21; 28:20-22; 84:10-88:6; 88:8-9. There is no submodule for the procurement punchout application. 27:22-28:2.

The Lawson S3 suite is aimed at the services industry, particularly the healthcare and public sectors. 32:10-15. S3 is focused on service-based industries. 111:1-4. M3 is more focused on manufacturing-based industries. 111:5-6. The purchases on the M3 side are driven by manufacturing product plans, so that impacts the way the applications work. 111:7-14.

Vendors have information with respect to the products they are offering. 36:16-19. Lawson works with those vendors to provide that data to customers by providing EDI connections to vendors. 36:20-37:5. Approximately fifty percent or so of Lawson's healthcare customers use the EDI module as opposed to some other third party EDI such as Sterling. 37:10-16; 37:20-38:3. About twenty-five percent of Lawson S3 supply chain customers have either EDI or Punchout. 89:16-92:5. Additionally, Lawson has punchout partners, which are third-party vendors that Lawson can punchout to. 38:13-21. Lawson has entered into agreements with some of these punchout partners. 38:22-39:12; 139:11-16; 167:16-19. Mr. Lohkamp reviews these agreements to ensure accuracy of the program benefits. 168:1-7. The Lawson punchout partners that have not entered into agreements with Lawson are Dell Computer, Office Depot, Staples, School Specialty, Fisher Scientific, Cardinal, Grainger, McKesson, and Steelcase. 39:13-42:1. For those punchout partners that have not entered into agreements with Lawson, these companies become partners through a mutual customer that requests that the companies work together. 42:2-8. Either Lawson or the customer itself could configure the Lawson procurement system to punchout to these partners, which involves setting up the login credentials and information to get into the particular partner sites. 42:9-43:18; 139:17-140:10. Lawson provides this configuration service to its customers for a fee. 43:19-44:1. Lawson will provide testing of the system after installation to ensure that it works when the customer punches out to the trading partner. Lawson charges their Punchout partner for performing the validation and testing and for the initial connection.² 170:5-10; 170:12-171:7. The Procurement Punchout

¹ Lawson contends that the witness testified that "Lawson does not offer any products that allow a user to identify available supplier inventory that a buyer can access to determine whether a desired product is available." ePlus objects to this mischaracterization of the testimony and revises the statement to reflect that the witness testified that he was not aware of whether or not Lawson offers such products.

² Lawson contends that this statement should be phrased as follows: "Lawson will charge a punchout partner if it tests the system after installation." ePlus objects to this as an incomplete

application communicates to these punchout partners through cXML messaging to connect externally to the vendor web sites. Lawson did not develop its own proprietary XML, but did develop its own tools, Procurement Punchout and ProcessFlow Integrator, for enabling cXML.³ 140:11-141:18.

As a product strategist, Mr. Lohkamp has from time to time generated reports with respect to competitive analysis. 47:21-48:3. Mr. Lohkamp generates a weekly status report that consists of updates on the previous week's activities and priorities for the next week's activities. 48:11-22. Within the content of this report, which is solely authored by Mr. Lohkamp, are updates on development projects that he is working on, updates on requirements and writing, any product launch activities, and any sales support that he has conducted. 49:1-50:13. Mr. Lohkamp has been generating this report for the last four to six months. 53:16-19.

For his competitive analysis, Mr. Lohkamp obtains information from competitor websites, experiences of other sales employees in competing against them, and analyst materials. 56:20-57:18. On at least some occasions, Mr. Lohkamp actually downloads and prints information available from competitor websites. 61:14-21; 63:7-13. This information may be used in reports to company management. 61:22-62:3. Mr. Lohkamp also maintains files with respect to product offerings available from competitors that he has obtained from their websites. 62:4-7. Some of the specific competitor websites that Mr. Lohkamp has reviewed are SAP, Oracle, Ariba, McKesson, Procuri. 66:5-14. The competitor files that Mr. Lohkamp maintains are organized by competitor, and include files for SAP, Oracle, and Ariba. 81:3-12. He does not have a file for Procuri or ePlus. 81:13-21.

Mr. Lohkamp went to ePlus's website after getting notice of the litigation. 66:17-21. He reviewed the home page and areas related to procurement processes. 67:11-14. Specifically, Mr. Lohkamp looked at the product information management, the procurement area, and case studies. 67:19-68:2. He did not download anything from the website or print out anything to review. 66:22-67:10; 68:3-5.

When Mr. Lohkamp speaks to sales employees to obtain information about competitors, he looks for who Lawson has been competing against and what have been the setups and differentiators. 68:6-17. He does not see documentation that the competitor is offering to a respective customer. 68:18-69:1. As recently as one week before his deposition, Mr. Lohkamp had seen a demonstration of Oracle, one of Lawson's competitors' supply chain management products, when he attended an Oracle OpenWorld user conference. 69:2-15.

and misleading summary of the designated testimony. The witness testified that the purpose of testing is to ensure that "Punchout . . . would work when they punched out to the trading partner." ePlus has cited additional designated testimony from the witness to provide context and revised the statement accordingly.

³ Lawson adds the statement that Lawson did not develop its own XML. ePlus objects that this statement is an incomplete summary of the designated testimony as the witness testified that Lawson developed its own tools, Procurement Punchout and ProcessFlow Integrator, for enabling cXML.

Mr. Lohkamp is involved in the process of preparing responses to requests for proposal at Lawson. 57:19-58:8. In many instances both an account executive and a solution consultant, both from the sales department, are involved in drafting the content of the RFP responses. 58:14-59:11. Mr. Lohkamp works with both the account executives and the solutions consultants to answer RFP questions that the sales people are not able to answer. 58:9-13; 59:12-21. Mr. Lohkamp is familiar with the fact that Lawson maintains an electronic database of standard answers to commonly asked questions by potential customers. 59:22-60:4. Mr. Lohkamp is not sure that he has access to the library of commonly asked questions in the RFP process and has not drafted standard answers to commonly asked questions in the RFP process. 60:5-13. Mr. Lohkamp has also been involved in providing content for white papers describing features and functionality of Lawson's products. 63:19-64:9. For example, Mr. Lohkamp was involved in the preparation of a white paper on procurement compliance. 64:10-15.

As part of his role as a product strategist, Mr. Lohkamp attends industry events in the Supply Chain Management world that occur on a periodic basis. 69:16-22; 70:22-2. Some of these events include the Association for Healthcare Resource & Materials Management (AHRMM), which Mr. Lohkamp attended in July 2009, and the Health Information Management Society (HIMSS), which Mr. Lohkamp attended in April 2009. 70:1-71:9. Some competitors of Lawson have made product offerings in the supply chain management area during these events, including Oracle, McKesson, and SAP. 71:14-19. Mr. Lohkamp had not seen Ariba, Procuri, or ePlus making product offerings in the supply chain management area at industry events.⁴ 71:20-72:4.

Mr. Lohkamp had heard of ePlus prior to the filing of the current lawsuit. 72:5-7. He became aware of them at the Voluntary Health Association Leadership Conference in 2003.⁵ 72:8-15; 14:2-11. Mr. Lohkamp visited ePlus's booth at the conference; he could not remember the exact details but remembered that it had something to do with a catalog and in procurement.⁶ 72:16-73:3. Mr. Lohkamp does not recall whether he obtained any information from the ePlus booth, but if he did he does not have any information currently. 73:4-74:6. Mr. Lohkamp also saw ePlus in the Forrester eProcurement Wave, a Forrester report on the procurement market, prior to the lawsuit, around 2008; he did not recall ever reviewing a Forrester report that referenced ePlus prior to 2008. 74:7-17; 75:4-11; 96:15-17; 97:8-13. Mr. Lohkamp had seen ePlus in a Forrester eProcurement Wave within a week prior to his deposition. 74:18-21. After the ePlus v. Lawson suit was filed, Mr. Lohkamp became aware that ePlus was involved in a lawsuit in 2005

⁴ Lawson added the statement that "Ariba, Procuri, and ePlus are not Lawson competitors." ePlus objects that this statement mischaracterizes the witnesses testimony. The witness testified only that he had not seen Ariba, Procuri, or ePlus making product offerings in the supply chain management area at industry events.

⁵ Lawson added that Mr. Lohkamp attended the Voluntary Health Association Leadership Conference while he was working for Advanced Data Exchange. ePlus objects to this inference as Mr. Lohkamp did not testify that he was working at Advanced Data Exchange at the time he attended the conference.

⁶ Lawson contends that "thought" should be used in place of "remembered." ePlus objects as "remembered" was the actual word used by the witness during his testimony.

involving Ariba; he was not aware prior to the filing of this lawsuit of the *ePlus v. SAP* suit.⁷ 75:12-76:6; 76:8; 76:10-14. Mr. Lohkamp had also spoken to a Lawson sales account executive, Bob Pogyor, concerning a situation prior to the filing of the lawsuit where Lawson and SciQuest had competed with *ePlus* for the award of a contract by Cleveland Clinic in May 2008.⁸ 92:22-95:21. Mr. Lohkamp was told by Brett Weiss, a Lawson solution consultant, that Cleveland Clinic was looking at Lawson's punchout application as a way to connect to its Lawson procurement system to an external catalog provided by either SciQuest or *ePlus*. 94:20-95:21; 96:2-99:21; 100:18-22. SciQuest and Lawson won the Cleveland Clinic bid. 100:6-17. Mr. Lohkamp did not perform any additional research on any *ePlus* product offerings at that time or thereafter as a result of the Cleveland Clinic bid.^{9,10} 100:18-22.

At a high level, supply chain management involves the acquisition, movement, and inventory of goods. 81:22-82:11. The core functionality for a supply chain management solution would be inventory control to maintain items and stock levels and a purchase order process able to order the goods or services. 82:20-83:6; 83:11-19. The requisition process is not required. 83:7-10. There is also typically some sort of requisition application or module that is offered with a supply chain management solution by Lawson. 83:20-84:9. For the healthcare industry, it would be Requisitions Self-Service. 88:11-16. In both the public sector and healthcare industry, the Requisitions module is more common than the Requisitions Self-Service application. 88:19-92:5.

Lawson generates revenues in a variety of ways associated with its product offering, including licensing fees, maintenance fees for maintaining the software solution, and implementation fees for installing and getting the Supply Chain Management solution up and running. 101:8-22. Prospective customers can find out the costs for the Lawson's products broken down by suite and application. 102:7-19; 103:13-21; 105:10-107:3. Lawson's services include installation, application configuration, training, best practice assessments, and application management. 210:16-211:6; 211:11-21. When Lawson performs an application configuration or training, it knows which product suite the service is associated with. 103:13-21. Maintenance services provided by Lawson include online support, access to a person to call or chat with regarding application problems, access to online documentation, patches and fixes, new versions, regulatory updates, and access to hot topic webinars. 213:20-214:12. The maintenance fee is

⁷ Lawson added that the witness was not aware of the *ePlus v. SAP* suit. *ePlus* objects that this mischaracterizes the testimony as the witness stated that he was not aware of the *ePlus v. SAP* suit prior to this lawsuit. The statement has been revised accordingly.

⁸ Lawson replaced "Lawson" with "SciQuest" in competition with *ePlus* for the Cleveland Clinic bid. *ePlus* objects that this mischaracterizes the testimony, as the witness stated that all three companies (Lawson, SciQuest, and *ePlus*) had competed for the bid.

⁹ Lawson added the statement that "Lohkamp did not research any *ePlus* product offerings at that time or thereafter." *ePlus* objects that this statement mischaracterizes the testimony, as the witness was asked whether he undertook any *additional* research on *ePlus*'s products *as a result of* the Cleveland Clinic bid.

¹⁰ *ePlus* objects to Lawson inappropriately adding testimony from the second day of Mr. Lohkamp's deposition to the summary of his first day of testimony.

charged as a percentage of the license fee based on the level of maintenance (gold, silver, or bronze) selected by the customer. 215:9-219:14. The bronze plan is 20 percent and the silver plan is 24 percent. 220:22-221:10. Lawson maintains internal guidelines on what the pricing should be for particular applications. The licensing revenue is a subset of the contracting revenue. The difference between the two is a matter of revenue recognition. 225:21-226:15. The contracting revenue does not include maintenance or service revenues.

As the product strategist, Mr. Lohkamp is responsible for coming up with the pricing for the Lawson Supply Chain Management applications. In 2006, the last time Lawson changed the pricing points for these applications, Mr. Lohkamp made the following recommendations for base prices: (1) Lawson Procurement - \$90,000; (2) Requisitions Self-Service - \$40,000; and (3) Procurement Punchout - \$35,000. The base price includes 100 users. The price increases with additional users. 231:1-232:18; 232:21-235:10.

Mr. Lohkamp provides product information for a number of purposes, including marketing brochures, white papers, Lawson's web site, product presentations, field enablements, and general questions from the sales team field. 107:15-109:4. Mr. Lohkamp tries to be as accurate as possible when providing this information. 109:13-110:2. Mr. Lohkamp is aware that the information provided to external audiences is reviewed by Lawson's legal department for accuracy. 109:5-9; 109:11.

Customers can customize a view of the Item Master. 118:8-119:5. Catalogs can be established as templates for specific days of the week and by item classification, vendor, or other criteria. 119:6-20. The catalogs serve as ordering templates listing regularly ordered products, quantities and stock numbers. 119:21-120:1.

The Lawson Procurement application can manage inventory and updates receipts from purchases or transfers from other inventories, returns, or transfers. 120:11-19. Requisitions and receipts from remote locations can be entered via Web for those outside an established system network. 120:20-121:9. The Lawson Procurement application has the capability of calculating reorder information to adjust electronic ordering and quoting. 121:10-22. The system generates orders for replenishing shelf stock. *Id.* The Lawson Procurement application has the capability of offering automated requisitioning, approval, receiving, reconciliation, invoice payment, and posting to a general ledger. 122:1-16. Users can create an online requisition for a product containing stock and nonstock items or combined items from multiple vendors. 122:17-123:4. The Lawson Procurement application has the capability to automatically send the request to the supplier for fulfillment. 123:5-13.

After the acquisition of Intenia in 2006, Lawson rebranded its eProcurement application to be called Procurement Punchout. 123:14-17; 123:19-124:5. Around late 2007 or early 2008, Lawson added the ability to punch out to catalogs that contained information from multiple vendors. 124:17-125:6. Lawson also added mapping fields back from a punchout session, mostly user-defined fields. 125:7-12. This allows fields on the Lawson requisition to be populated by values returned from the punchout session. 125:13-21. Lawson also replaced webMethods, a third-party product that managed the XML message to communicate with the vendor, with Lawson developed functionality, specifically Procurement Punchout and

ProcessFlow Integrator.¹¹ 125:22-126:16; 140:11-141:18; 194:6-18. The ProcessFlow Integrator is a separate product and is not part of procurement; it is part of Lawson's business process management, and would be needed to punchout to a punchout partner like Staples or Office Max. 141:19-142:17.

The Punchout feature lets users shop on vendor-managed Web sites via secure connectivity between Lawson's Requisitions Self-Service application and the systems of the trading partners and digital marketplaces. 127:4-16. Mr. Lohkamp thinks that the punchout capabilities are important to the overall Lawson Procurement application. 131:2-4; 131:6.

The Requisitions Self-Service application lets the user distribute widely, for example within its company, to a number of potential buyers the ability to make requisitions, for example at the their desktop or laptop in their office. 128:14-129:9. The Requisitions Self-Service application automates the process of making internal requests for supplies and services such as maintenance, repairs, and operating supplies. 129:10-20. It enables users to generate purchase orders for stock, nonstock, special order items and services via one requisition. 129:21-130:4. Requisitions Self-Service eliminates manual, paper-based requisitioning by providing web-based, end-user, template based requisitioning and workflow approval, leading to faster order times, increased standardization, and reduced cost. 196:8-18.

Lawson Procurement allows users to import external content and automates the process of maintaining vendor items and pricing agreements. 127:17-128:6. The Lawson Procurement application includes a catalog import process that permits the integration and import and updates of catalog information. 156:13-18. The Lawson Procurement application has the capability to permit users to create and pull and [sic] catalog items such as vendor items, price agreements, and contracts in order to populate the Item Master. 132:15-22. It incorporates a filtering capability that gives users the opportunity to selectively choose, based on item category or UNSPSC code, items of interest and those that match the user-defined criteria. 133:1-20. GHX, a former Lawson partner, provided UNSPSC classification through the data management service program that Lawson offered. 133:21-134:13; 134:15-135:136:8.

The Punchout Partner Program as implemented had a standard agreement, as well as an annual fee and an initial setup fee. 137:14-138:5. The development rate for the program is \$2,000 per day. 138:15-21.

The Vendor Agreement Import Process allows customers to obtain a file from a vendor with a vendor item, unit of measure, and unit price information, and load it into the Lawson application, determine which items to include on an agreement, and allow the system to create a Lawson item number if one does not currently exist. 144:21-145:7. A file can contain all items from a vendor's catalog or only specific items that are included in a negotiated contract with the customer or a group purchasing organization. 145:13-146:3. The vendor input file record can

¹¹ Lawson removed the reference to Procurement Punchout and ProcessFlow Integrator. ePlus objects and adds a citation to the designated testimony specifically identifying these applications as the replacement for WebMethods.

include vendor item numbers, UPC, SKU, UPN, manufacturing item numbers or NDC identifiers. 146:4-8.

The Lawson Procurement Punchout Trading Partner List informs Lawson's customers who are the available trading partners that they can communicate with through the Procurement Punchout application. 146:15-147:22; 148:10-22; 149:1-5. Lawson has agreements with two punchout partners: GHX and SciQuest. The determination of whether or not Lawson required a written agreement was based upon the timing of when the trading partner ended up on the list—the Procurement Punchout Partner Program was only introduced recently, so anyone before that didn't have a written agreement. 149:6-150:8. Punchout partners renew their agreements with Lawson annually. 150:9-13. Lawson delivers generic Punchout transaction sets and cXML purchase order formats for the listed trading partners. 151:4-22.

The Lawson EDI for Supply Chain Management Trading Partner List is intended to explain who the trading partners are for the Lawson EDI application and provides information as to how to configure the EDI for suppliers that provide EDI. 152:5-154:3. The Lawson EDI application has the ability to obtain item information from these vendors that support a price catalog. 154:10-19.

Lawson still partners with GHX to import and update catalog information for the healthcare industry just for the S3 line. 157:5-14. Lawson was in a partnership with GHX to resell GHX's data management services, including Vendor Master and Item Master cleansing and consolidation; GHX is no longer offering that in a partnership with Lawson. 157:15-158:18; 160:4-13.

The Purchase Order module includes the capability of doing a vendor catalog load. 161:22-162:5. This data could be a vendor catalog, which contains information about all the items that vendor carries, or it could be items that are included in a specially negotiated contract between a vendor and a single client or group purchasing organization. 163:2-14. The catalog information is loaded into the Item Master in order to be available to a user. 163:15-22. The first step will be to obtain the vendor catalog information. 165:9-20. A document stated that at a later time the file will be changed to an XML format. 165:21-166:6.

Lawson has a partnership with SciQuest to integrate the Lawson Procurement Punchout application with SciQuest's Spend Director solution, an on-demand eProcurement platform that combines catalog management and supplier enablement capabilities with a familiar online shopping experience. 172:3-17.

Mr. Lohkamp had involvement with an M3 eProcurement application in 2006 and 2007. 174:5-10; 175:11-14. Mr. Lohkamp made an internal presentation on the application and was involved in the pricing for the application. 175:15-18; 177:20-22. Mr. Lohkamp believed that providing an eProcurement solution as part of a full enterprise resource planning offering would give Lawson a competitive edge. 179:12-18. Lawson's customers find the Procurement Punchout functionality to be advantageous, and sales of the application are growing. 179:19-21; 180:1-6; 180:8.

Revised Summary – Day 2

Designated testimony relates to:

Mr. Lohkamp demonstrated the supply chain management application of the Lawson S3 software system which was configured to show the requisition self-service module and the procurement and procurement punchout modules. (280:15 – 281:1) In this demonstration, Lawson configured the Item Master to make the keyword search fields searchable. (281:2 – 18) Mr. Lohkamp demonstrated the process that would be used to import supplier catalog data using a batch program called PO536; he demonstrated loading UNSPC codes; and he demonstrated the process that would be used to associate the UNSPSC codes with the individual items in the Item Master. (284:3 – 302:3)

Mr. Lohkamp also performed a search query for “tape” wherein the search engine of the system conducted a search against the items in the Item Master to look for items that match the input search query, which yielded eight items from the Item Master database that matched the input search query. (307:15 – 308:8) Mr. Lohkamp’s demonstration also showed that the system maintains data about items that are in stock and items that can be ordered from external suppliers. (308:19 – 310:13) Mr. Lohkamp also showed how a user can use the product category hierarchy tree in the Lawson system to perform a search and get two items having the same commodity classification, which indicates that they are both associated with the same UNSPSC code in the Item Master. (318:17-22)

Mr. Lohkamp also demonstrated the procurement punchout module where a user could select a vendor vendor site from the Lawson system to find items (depending on what the vendor arranges with the customer). (319:6 – 325:7) After a user completes the remaining screens on the vendor site such as shipping, payment, verify and submit order, the Lawson software then brings those items into the user’s shopping cart in the Lawson requisition self service application. (325:8 – 326:1)

In the shopping session demonstrated by Mr. Lohkamp, the user had three items in their Requisitions Self-Service shopping cart from their search of the internal Item Master and one of those items was going to be requisitioned from the user’s internal inventory and the other two items were going to be requisitioned from two external suppliers. (326:8 – 327:2)

Mr. Lohkamp also demonstrated how an authorized user had the ability to approve the sample requisitions to generate multiple purchase orders (two, in the example) for the goods from two different external vendors in one of two ways: (1) the user schedules a process to automatically create the purchase order by creating a job for the automatic PO creation process and schedule it to be triggered by the workflow or schedule it to be run every 30 minutes or so to create purchase orders or (2) the user could run the process manually or a buyer could come in and select items and create purchase orders manually. (327:11-15; 328:13 – 332:3)

Mr. Lohkamp confirmed that a list of all applications included in the S3 Supply Chain Management Suite was produced and labeled as Lohkamp Ex. 12. (336:1-15) The Supply Chain Management Suite is the third most popular of the three suites in the S3 product line. (357:2-5) More than 50% of all customers who purchase the S3 product also license one or more

applications from Supply Chain Management. (357:6 – 358:20) Lawson System Foundation is necessary to run any application that is part of the S3 product line. (407:17 – 409:10) New customers cannot currently buy either the Purchase Order module or the Inventory Control module alone and must instead purchase at least Lawson Procurement. (409:19 – 411:14)

Lawson generates revenue through software license fees, customer support and maintenance fees and consulting service fees. (402:22 – 403:10; 404:20 – 405:14) Based on his reading of recent industry reports, Mr. Lohkamp understands that Lawson is sixth largest in the enterprise-resource-planning (“ERP”) market. (419:21 – 420:8) In the supply chain market, Lawson’s market share is approximately five to six percent. (424:13-17) For hospitals with over 250 beds, Lawson had about a thirty-percent market share in terms of system installs. (422:22 – 424:12) These reported figures are consistent with Mr. Lohkamp’s experience in the industry. (421:8-17)

Lawson’s Procurement Punchout product can be used with the Lawson Procurement software which includes the Requisitions, Purchase Order, and Inventory Control modules. (338:4 – 339:4) Two ways that customers can access data about items for sale by vendors is punching out to a vendor site using Procurement Punchout and searching the items in the Item Master. (340:9 – 341:5) Lawson will provide services to transfer item data from a customer’s previous system into the Lawson Item Master including providing the historical file conversion to transfer item data from one system into the Lawson Item Master system, but it will not populate the Item Master for the buyer. (341:12 – 342:1) Lawson entered into a partnership with GHX in which GHX provided item data content for the customer. (342:9-15) A customer can also access data with respect to items for sale by vendors other than the punchout process and the Item Master that can be populated with the data using the EDI 832 price catalog process. (342:16 – 343:1) The vendor creates an EDI 832 file and sends it to the Lawson customer electronically. (343:2-12) The contents of the file get translated into a file that can be loaded into the Item Master and into the Vendor Agreements. *Id.*

Lawson realizes revenue from several sources including services and maintenance. (343:18 – 347:11) Services include at least: software installation, software implementation, transfer of information from a prior Lawson system to the Item Master, on-site customer training, and learning services such as online recorded classroom training. (343:18 – 347:11; 350:11 – 351:3) Maintenance activities can include: online customer support, telephonic customer support, software updates, and software patches. *Id.* Lawson’s software product also includes a learning accelerator tool from which a user can create here own demonstrations of the various applications within the S3 product line, to share with end users. (352:9 – 355:6)

Lawson offers hosting services (managed services) where it will host the Lawson software (including Procurement Punchout) that a customer licenses instead of the customer having the software operating on its own system. (347:12 – 348:4; 348:7-17) Mr. Lohkamp did not know a rough estimate as to how many people select the hosting option as opposed to having the system operating on their own servers, but stated it was roughly less than fifty percent. (349:10-15) When using hosted services, a user accesses a system operated by Lawson in order to purchase

items from vendors.¹² (348:7-13) To facilitate these hosting services, Lawson provides a program that is accessed over the web. (348:5-6)

Lawson's sales and marketing teams conduct their own market evaluations. Lawson's marketing department conducts "realized value case studies" that document actual cost savings Lawson customers have achieved by using Lawson software applications. (365:19 – 366:4; 366:10-21; 367:8-14) Lawson's marketing department does not crunch numbers to show the benefits of an electronic procurement application as opposed to older modes of operation. (366:5-9) Lawson's sales team also includes a value assessment team. (367:20 – 368:1) This team creates, as part of the sales process, an estimate, on a customer-by-customer basis, of the potential value of Lawson applications. (368:2 – 369:19) Lawson also conducts PowerPoint webinar presentations with customers. (370:5 – 371:1) In these presentations, customers share their experience and Lawson mentions estimates of cost savings and expenditure reductions, as reported in publications such as Aberdeen. (371:2 – 372:21) Lawson also has a Return on Investment calculator for Supply Chain Management. (372:22 – 374:4)

It is standard procedure for Lawson to enter into a license agreement that identifies the software applications licensed, the maintenance to be provided, the terms and conditions, and the pricing. (387:12 – 388:22; 389:10-15) Lawson will create a Statement of Work when a customer wants Lawson Professional Services to provide some type of consulting help with regards to the applications. (389:16 – 390:9)

Lawson prices its products using a generic pricing configurator. (393:15 – 393:4) The configurator is a spreadsheet containing inputs which Lawson uses to determine the price of its products and services. (393:5-20) For certain modules, including the Requisitions and the Requisitions Self Service modules, the pricing configuration calculates the price by summing a base price with a price calculated by multiplying a quantity price with a minimum number of named users. (395:5 – 399:14) Lawson prices modules within its Supply Chain Management software differently. (399:2 – 402:5)

The S3 Applications Portfolio Product Report Card provides Supply Chain Management revenues by quarter. (375:18 – 376:5; 376:15-19; 381:5-16; 383:6-20) This report includes actual revenues achieved and forward projections. (383:21 – 383:13)

Because of *ePlus*'s lawsuit against Lawson, Lawson has put on hold an enhancement to the Supply Chain Management suite that would enable a customer to bring in an item number through punchout and a proposal to enable punchout to simultaneously search multiple catalogs.¹³ (361:14 – 362:21; 363:1; 363:10-16; 363:18 – 364:11)¹⁴

¹² Lawson states that this sentence should be amended to read "that Lawson's operating that makes it available so that they can purchase items from vendors." *ePlus* objects to Lawson's amendment on the grounds that it mischaracterizes the testimony.

¹³ Lawson suggests that "and a proposal to enable punchout to simultaneously search multiple catalogs" should be deleted. *ePlus* objects to this deletion.

Respectfully submitted,

/s/

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Attorneys for Plaintiff, ePlus Inc.

Dated: August 11, 2010

¹⁴ Lawson requests that the summary be amended to include that “Mr. Lohkamp was not aware of a specific customer that would not have purchased an S3 system if Lawson did not offer Procurement Punchout and as far as he is aware not all customers that have it use it.” (433:2-8; 433:10-11) As noted above, ePlus objects to this questioning as leading under Fed. R. Evid. 611.

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| <p>1 UNITED STATES DISTRICT COURT</p> <p>2 FOR THE EASTERN DISTRICT OF VIRGINIA</p> <p>3 Richmond Division</p> <p>4 -----x</p> <p>5 ePLUS, INC.,)</p> <p>6 Plaintiff,)</p> <p>7 v.) Civil Action No.</p> <p>8 LAWSON SOFTWARE, INC.,) 3:09-cv-620(JRS),</p> <p>9 Defendant.)</p> <p>10 -----x</p> <p>11</p> <p>12 VIDEOTAPED DEPOSITION OF KEITH DAVID LOHKAMP</p> <p>13 INDIVIDUALLY AND AS CORPORATE DESIGNEE OF</p> <p>14 LAWSON SOFTWARE, INC.</p> <p>15 Washington, D.C.</p> <p>16 Tuesday, October 20, 2009</p> <p>17 9:48 a.m.</p> <p>18</p> <p>19</p> <p>20 Job No.: 1-165454</p> <p>21 Pages 1 - 274, Volume 1</p> <p>22 Reported By: Joan V. Cain</p> | <p>1 A P P E A R A N C E S</p> <p>2</p> <p>3 ON BEHALF OF PLAINTIFF:</p> <p>4 SCOTT L. ROBERTSON, ESQUIRE</p> <p>5 ROBERT D. SPENDLOVE, ESQUIRE</p> <p>6 GOODWIN PROCTER, LLP</p> <p>7 901 New York Avenue, Northwest</p> <p>8 Washington, D.C. 20001</p> <p>9 Telephone: (202) 346-4000</p> <p>10</p> <p>11 ON BEHALF OF DEFENDANT:</p> <p>12 RACHEL C. HUGHEY, ESQUIRE</p> <p>13 WILLIAM D. SCHULTZ, ESQUIRE</p> <p>14 MERCHANT & GOULD</p> <p>15 3200 IDS Center</p> <p>16 80 South Eighth Street</p> <p>17 Minneapolis, Minnesota 55402-2215</p> <p>18 Telephone: (612) 332-5300</p> <p>19</p> <p>20 ALSO PRESENT:</p> <p>21 Akim Graham, Videographer</p> <p>22</p> |
| <p>1 Videotaped Deposition of KEITH DAVID LOHKAMP,</p> <p>2 individually and as corporate designee of LAWSON</p> <p>3 SOFTWARE, INC., held at the law offices of:</p> <p>4</p> <p>5 GOODWIN PROCTER, LLP</p> <p>6 901 New York Avenue, Northwest</p> <p>7 Washington, D.C. 20001</p> <p>8 (202) 346-4000</p> <p>9</p> <p>10 Pursuant to Notice, before Joan V. Cain,</p> <p>11 Certified Court Reporter and Notary Public in and</p> <p>12 for the District of Columbia.</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> | <p>1 C O N T E N T S</p> <p>2</p> <p>3 EXAMINATION OF KEITH DAVID LOHKAMP PAGE</p> <p>4 By Mr. Robertson 9</p> <p>5</p> <p>6 E X H I B I T S</p> <p>7 (Attached to the Transcript.)</p> <p>8 LOHKAMP DEPOSITION EXHIBITS PAGE</p> <p>9 Exh. 1 Lawson Software Procurement 114</p> <p>10 Applications, 4/16/02</p> <p>11 Exh. 2 Punchout Partner Program 135</p> <p>12 Exh. 3 Vendor Agreement Import Overview, 142</p> <p>13 Release 8.03</p> <p>14 Exh. 4 Lawson Procurement Punchout Trading 146</p> <p>15 Partner List</p> <p>16 Exh. 5 Lawson EDI for Supply Chain 152</p> <p>17 Management Trading Partner List,</p> <p>18 Version 9.01, November 2008</p> <p>19 Exh. 6 Updating Item Information using the 155</p> <p>20 Catalog Import Process 8.1 FactSheet</p> <p>21 Exh. 7 Lawson Software Investor Relations 159</p> <p>22 News</p> |

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| <p>5</p> <p>1 EXHIBITS CONTINUED</p> <p>2 (Attached to the Transcript.)</p> <p>3 LOHKAMP DEPOSITION EXHIBITS PAGE</p> <p>4 Exh. 8 Design Analysis Title: Vendor 160</p> <p>5 Catalog Load, 4/26/01</p> <p>6 Exh. 9 Lawson Software Americas, Inc. 166</p> <p>7 Procurement Punchout Partner</p> <p>8 Agreement</p> <p>9 Exh. 10 Lawson Services Order Form 168</p> <p>10 Exh. 11 Joint Press Release between Lawson 171</p> <p>11 and SciQuest, 7/17/08</p> <p>12 Exh. 12 M3 e-Procurement 7.x for US 174</p> <p>13 Sponsored by Product Management</p> <p>14 Exh. 13 General Comment on Strategy 180</p> <p>15 Exh. 14 Memo to Keith Lohkamp from Jeffrey 183</p> <p>16 Frank, 1/8/09</p> <p>17 Exh. 15 Lawson Web Requisition Guide for the 186</p> <p>18 Beginning Requester</p> <p>19 Exh. 16 Using Lawson Procurement Punchout 189</p> <p>20 with External Vendors</p> <p>21 Exh. 17 Lawson S3 Requisitions Self-Service 194</p> <p>22 Overview</p> | <p>7</p> <p>1 EXHIBITS CONTINUED</p> <p>2 (Attached to the Transcript.)</p> <p>3 LOHKAMP DEPOSITION EXHIBITS PAGE</p> <p>4 Exh. 23 Plaintiff ePlus, Inc.'s Second Notice 250</p> <p>5 of Deposition of Defendant Lawson</p> <p>6 Software, Inc. Pursuant to Rule</p> <p>7 30(b)(6) of the Federal Rules of</p> <p>8 Civil Procedure, 9/23/09</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> |
| <p>6</p> <p>1 EXHIBITS CONTINUED</p> <p>2 (Attached to the Transcript.)</p> <p>3 LOHKAMP DEPOSITION EXHIBITS PAGE</p> <p>4 Exh. 18 Presentation: Empower Your People 199</p> <p>5 with Requisitions Self-Service and</p> <p>6 Procurement Punchout</p> <p>7 Exh. 19 S3/SHCM Group Weekly Leadership 227</p> <p>8 Meeting, 7/29/09</p> <p>9 Exh. 20 Lawson S3 Requisitions Self-Service 236</p> <p>10 Procurement Punchout and EDI</p> <p>11 Contracting Summary</p> <p>12 Exh. 21 Lawson S3 Requisitions Self-Service 245</p> <p>13 and Procurement Punchout Field</p> <p>14 Enablement, 10/19/07</p> <p>15 Exh. 22 Plaintiff ePlus, Inc.'s First Notice 250</p> <p>16 of Deposition of Defendant Lawson</p> <p>17 Software, Inc. Pursuant to Rule</p> <p>18 30(b)(6) of the Federal Rules of</p> <p>19 Civil Procedure, 9/23/09</p> <p>20</p> <p>21</p> <p>22</p> | <p>8</p> <p>1 PROCEEDINGS</p> <p>2 THE VIDEOGRAPHER: Here begins Videotape</p> <p>3 No. 1 in the deposition of Keith Lohkamp in the</p> <p>4 matter of ePlus, Incorporated versus Lawson</p> <p>5 Software, Incorporated, in the United States</p> <p>6 District Court for the Eastern District of Virginia,</p> <p>7 Civil Action No. 3:09-cv-620(JRS).,</p> <p>8 Today's date is October 20th, 2009. The</p> <p>9 time on the video monitor is 9:49 a.m., and the</p> <p>10 video operator today is Akim Graham. This video</p> <p>11 deposition is taking place at the offices of Goodwin</p> <p>12 Procter at 901 New York Avenue, Northwest in</p> <p>13 Washington, D.C.</p> <p>14 Counsel, please voice identify yourselves</p> <p>15 and state whom you represent.</p> <p>16 MR. ROBERTSON: My name is Scott Robertson,</p> <p>17 and I'm with the law firm of Goodwin Procter, and</p> <p>18 with me is my colleague Robert Spendlove and we</p> <p>19 represent the plaintiff ePlus, Inc.</p> <p>20 MS. HUGHEY: And I'm Rachel Hughey with the</p> <p>21 law firm of Merchant & Gould. I represent the</p> <p>22 defendant Lawson Software, Inc.</p> |

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| <p>9</p> <p>1 THE VIDEOGRAPHER: The court reporter today</p> <p>2 is Joan Cain of Merrill L.A.D. Would the reporter</p> <p>3 please swear in the witness.</p> <p>4 KEITH DAVID LOHKAMP</p> <p>5 having been duly sworn, was examined and did testify</p> <p>6 as follows:</p> <p>7 EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>8 BY MR. ROBERTSON:</p> <p>9 Q Good morning, Mr. Lohkamp.</p> <p>10 A Good morning.</p> <p>11 Q Could you please state your full name for</p> <p>12 the record, sir.</p> <p>13 A Keith David Lohkamp.</p> <p>14 Q And who are you presently employed by,</p> <p>15 Mr. Lohkamp?</p> <p>16 A Lawson Software.</p> <p>17 Q Give me your work address, sir.</p> <p>18 A I work out of my home office, 3045</p> <p>19 Totterdell Street, Oakland, California 94611.</p> <p>20 Q And what's your home address, sir?</p> <p>21 A That's my home address, 3045 Totterdell.</p> <p>22 Q You work out of your home?</p> | <p>11</p> <p>1 A It was a circumstance with a customer</p> <p>2 dispute.</p> <p>3 Q So the customer had sued Lawson over the</p> <p>4 operations of some software solution that had been</p> <p>5 offered?</p> <p>6 A No.</p> <p>7 Q Can you tell me the circumstances then of</p> <p>8 what was involved in the dispute with a customer</p> <p>9 involving your company?</p> <p>10 A It was involving whether they should get a</p> <p>11 copy of our -- certain software package at no</p> <p>12 charge.</p> <p>13 Q And there was a lawsuit involving that</p> <p>14 dispute?</p> <p>15 A Yes.</p> <p>16 Q How long ago was that?</p> <p>17 A That was earlier this year.</p> <p>18 Q So you're somewhat familiar then with the</p> <p>19 process of what goes on during deposition, correct?</p> <p>20 A Somewhat familiar.</p> <p>21 Q Okay. So today I'll be asking you a series</p> <p>22 of questions and we'll be looking at some documents</p> |
| <p>10</p> <p>1 A I work out of my home.</p> <p>2 Q How long have you been doing that, sir?</p> <p>3 A About a month and a half full time.</p> <p>4 Q Any reason -- change in circumstances? --</p> <p>5 that moved you to the home office or --</p> <p>6 A Lawson recently closed the San Francisco</p> <p>7 office.</p> <p>8 Q Any plans on moving to the East Coast or</p> <p>9 Minnesota or something like that?</p> <p>10 A No.</p> <p>11 Q Any plans on leaving the company soon?</p> <p>12 A No.</p> <p>13 Q They're -- the company's content to have</p> <p>14 you working out of your home?</p> <p>15 A Yes.</p> <p>16 Q Nice arrangement.</p> <p>17 A It's not bad.</p> <p>18 Q Have you ever had your deposition taken</p> <p>19 before, sir?</p> <p>20 A Yes, I have.</p> <p>21 Q Can you tell me the circumstances under</p> <p>22 which that occurred?</p> | <p>12</p> <p>1 that have been produced by Lawson in this case. If</p> <p>2 you have any questions or you don't understand my</p> <p>3 question, please just let me know and I'll try to</p> <p>4 rephrase that. Is that okay?</p> <p>5 A That's okay.</p> <p>6 Q All right. And just so we're clear, you</p> <p>7 need to give verbal answers to my questions. You</p> <p>8 can't just nod your head or say uh-huh or something</p> <p>9 like that, because the -- the stenographer may not</p> <p>10 be able to transcribe that. So are you willing to</p> <p>11 do that for me?</p> <p>12 A Yes.</p> <p>13 Q Okay. And you understand you're under oath</p> <p>14 today, correct?</p> <p>15 A Yes.</p> <p>16 Q Okay. And from time to time your attorney</p> <p>17 may pose an objection to one of my questions,</p> <p>18 perhaps as to the form of the question, but you</p> <p>19 understand you're still to answer the question</p> <p>20 unless she instructs you otherwise?</p> <p>21 A Yes.</p> <p>22 Q Good. Do you have any questions about the</p> |

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| <p>1 process before we start?</p> <p>2 A No.</p> <p>3 Q All right. Tell me what your job title is</p> <p>4 at Lawson Software.</p> <p>5 A Product strategist Supply Chain Management.</p> <p>6 Q And how long have you been the product</p> <p>7 strategist for Supply Chain Management at Lawson?</p> <p>8 A Since 2005.</p> <p>9 Q And prior to 2005, what was your position</p> <p>10 there, sir?</p> <p>11 A Prior to 2005 I worked at Neoforma as a</p> <p>12 consultant.</p> <p>13 Q Neoforma, can you spell that for me?</p> <p>14 A N-e-o-f-o-r-m-a.</p> <p>15 Q And what was the nature of Neoforma's</p> <p>16 business?</p> <p>17 A It was a business-to-business and</p> <p>18 healthcare company.</p> <p>19 Q Did it involve Supply Chain Management in</p> <p>20 any way?</p> <p>21 A Yes.</p> <p>22 Q In what way, sir?</p> | <p>1 A Yes.</p> <p>2 Q Is there any relationship between Neoforma</p> <p>3 and GHX?</p> <p>4 A GHX purchased Neoforma.</p> <p>5 Q And GHX has entered into a joint venture</p> <p>6 partnership arrangement with Lawson; isn't that</p> <p>7 right?</p> <p>8 A Yes.</p> <p>9 Q Okay. Involving Supply Chain Management?</p> <p>10 A Yes.</p> <p>11 Q And you've worked in that relationship</p> <p>12 between GHX and Lawson, correct?</p> <p>13 A Yes.</p> <p>14 Q Okay. We'll get to some of those documents</p> <p>15 in a little bit. Can you tell me currently and</p> <p>16 since 2005 what your duties and responsibilities are</p> <p>17 as a product strategist for Supply Chain Management</p> <p>18 at Lawson.</p> <p>19 A My duties include determining the roadmap</p> <p>20 of where to invest in new applications within the</p> <p>21 Supply Chain Management Suite.</p> <p>22 Q Is that it?</p> |
| <p>1 A It connected hospitals to their suppliers.</p> <p>2 Q And how long were you at Neoforma, sir?</p> <p>3 A As a consultant, about 5 months.</p> <p>4 Q Prior to your consulting work at Neoforma,</p> <p>5 what was your position?</p> <p>6 A What company did I work with?</p> <p>7 Q Let's start with that.</p> <p>8 A Advanced Data Exchange.</p> <p>9 Q And how long were you with Advanced Data</p> <p>10 Exchange?</p> <p>11 A Approximately 2 years.</p> <p>12 Q Did your employment at Advanced Data</p> <p>13 Exchange involve Supply Chain Management in any way?</p> <p>14 A Yes.</p> <p>15 Q In what way?</p> <p>16 A It was EDI for small, medium-sized</p> <p>17 businesses.</p> <p>18 Q And EDI, do you mean electronic data</p> <p>19 interchange? Is that right?</p> <p>20 A Electronic data interchange.</p> <p>21 Q Are you familiar with a company known as</p> <p>22 GHX?</p> | <p>1 A Also work with writing up requirements for</p> <p>2 specific products.</p> <p>3 Q Okay. Other than the roadmap and where to</p> <p>4 invest, the new applications, and requirements for</p> <p>5 specific products, do you have any other duties and</p> <p>6 responsibilities as a product strategist for Supply</p> <p>7 Chain Management at Lawson?</p> <p>8 A I support sales and marketing.</p> <p>9 Q What do you do to support sales and</p> <p>10 marketing, sir?</p> <p>11 A Provide product information for marketing</p> <p>12 materials and for the sales process.</p> <p>13 Q So product information, you provide</p> <p>14 information as to the features and functionality of</p> <p>15 some of the software solutions in the Supply Chain</p> <p>16 Management Suite to sales and marketing in order to</p> <p>17 educate potential customers of Lawson?</p> <p>18 A Yes.</p> <p>19 Q Okay. So other than a roadmap and where to</p> <p>20 invest and determining requirements for specific</p> <p>21 products and supporting sales and marketing with</p> <p>22 respect to product info for existing or potential</p> |

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| <p>17</p> <p>1 customers, do you have any other responsibilities?</p> <p>2 A I speak -- yes. I speak with analysts.</p> <p>3 Q And when you say analysts, you mean</p> <p>4 industry analysts?</p> <p>5 A Yes.</p> <p>6 Q And some examples of industry analysts</p> <p>7 reports that I've seen in the production and</p> <p>8 elsewhere are, for example, Gartner?</p> <p>9 A Yes.</p> <p>10 Q Have you spoken with Gartner with respect</p> <p>11 to the Supply Chain Management solutions offered by</p> <p>12 Lawson?</p> <p>13 A Yes.</p> <p>14 Q And how about Forrester?</p> <p>15 A Yes.</p> <p>16 Q And Aberdeen?</p> <p>17 A Yes.</p> <p>18 Q Any others?</p> <p>19 A Yes.</p> <p>20 Q What would they be?</p> <p>21 A VDC.</p> <p>22 Q VDC?</p> | <p>19</p> <p>1 A Yes.</p> <p>2 Q And was it VDC?</p> <p>3 A Yes.</p> <p>4 Q Okay. The company utilizes those reports</p> <p>5 in some of its internal memoranda, doesn't it?</p> <p>6 A I'm not sure what you mean by --</p> <p>7 Q Utilize? Let me rephrase. The company</p> <p>8 reviews and sometimes relies on the information</p> <p>9 provided by those industry analysts for its own</p> <p>10 internal decision-making, correct?</p> <p>11 A Yes.</p> <p>12 Q Okay. You in your position as a product</p> <p>13 strategist have sometime considered the information</p> <p>14 concerning the industry as it pertains to Supply</p> <p>15 Chain Management in those reports and have used it,</p> <p>16 correct, in your role?</p> <p>17 A Yes.</p> <p>18 Q Do you provide information concerning</p> <p>19 Lawson's offerings with respect to Supply Chain</p> <p>20 Management to those publications?</p> <p>21 A To the analyst publications?</p> <p>22 Q Yes.</p> |
| <p>18</p> <p>1 A Mm-hmm.</p> <p>2 Q As in Victor, David, core? I don't know.</p> <p>3 A Yes.</p> <p>4 Q Okay. Anyone else you can think of?</p> <p>5 A Yes. AMR.</p> <p>6 Q AMR?</p> <p>7 A Mm-hmm.</p> <p>8 Q What does that stand for? Do you know?</p> <p>9 A I don't know.</p> <p>10 Q Okay. The company Lawson subscribes to</p> <p>11 publications by those industry analysts, collect --</p> <p>12 correct?</p> <p>13 A Yes.</p> <p>14 Q In your role as a product strategist for</p> <p>15 Supply Chain Management, you have had occasion to</p> <p>16 review Gartner reports, correct?</p> <p>17 A Yes.</p> <p>18 Q Aberdeen reports?</p> <p>19 A Yes.</p> <p>20 Q Forrester?</p> <p>21 A Yes.</p> <p>22 Q AMR?</p> | <p>20</p> <p>1 A Yes.</p> <p>2 Q Do you have a personal subscription to any</p> <p>3 or all of those publications?</p> <p>4 A Yes.</p> <p>5 Q How -- how frequent do -- do those</p> <p>6 publications get distributed? Is it monthly?</p> <p>7 Weekly?</p> <p>8 A It -- it depends upon the -- the analyst.</p> <p>9 Q Okay. Of those reports that we've</p> <p>10 mentioned --</p> <p>11 A Mm-hmm.</p> <p>12 Q -- I don't want to go through the whole</p> <p>13 list again, but which ones do you find to be the</p> <p>14 most reliable, most accurate?</p> <p>15 A The ones I use the most are Gartner and</p> <p>16 Forrester.</p> <p>17 Q Okay. Can you tell me just, you know, your</p> <p>18 best estimate of when -- your most recent time</p> <p>19 you've reviewed any of those industry reports?</p> <p>20 Within the last 30 days?</p> <p>21 A Yes.</p> <p>22 Q Have you been reviewing those reports since</p> |

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| <p>21</p> <p>1 you became a product strategist in Supply Chain</p> <p>2 Management at Lawson in 2005, on a periodic basis?</p> <p>3 A Are you referring to all of them, all the</p> <p>4 analysts?</p> <p>5 Q Not every single one, but, you know, in --</p> <p>6 in a general way, have you referred to or reviewed</p> <p>7 those industry reports since about 2005?</p> <p>8 A Yes.</p> <p>9 Q Okay. How about prior to your employment</p> <p>10 with Lawson, when you were at -- I'm sorry. It</p> <p>11 was -- it was the -- Neoforma was it?</p> <p>12 A Yes.</p> <p>13 Q Did you refer to them when you were at</p> <p>14 Neoforma?</p> <p>15 A I can't recall if I did.</p> <p>16 Q What do you utilize them for?</p> <p>17 A Utilize them to see what's going on in the</p> <p>18 market.</p> <p>19 Q When you say to see what's going on in the</p> <p>20 market, do you do it to see who the competition is</p> <p>21 in the Supply Chain Management sphere?</p> <p>22 A Yes.</p> | <p>23</p> <p>1 Q As a result of the information and</p> <p>2 intelligence provided by those industry reports,</p> <p>3 have you as a product strategist ever made</p> <p>4 recommendations to Lawson as to new product</p> <p>5 offerings that Lawson should consider?</p> <p>6 A Not that I can recall.</p> <p>7 Q In your role as product strategist,</p> <p>8 specifically in your duties in providing a roadmap</p> <p>9 as to where to invest in new applications, have you</p> <p>10 ever utilized those reports?</p> <p>11 A Yes.</p> <p>12 Q In what way?</p> <p>13 A To show market -- market trends.</p> <p>14 Q Okay. And what kind of market trends have</p> <p>15 you found to be relevant?</p> <p>16 A Like the focus of a particular industry.</p> <p>17 Q Can you give me a specific application that</p> <p>18 you may have recommended as a product strategist as</p> <p>19 a result of the information or intelligence you</p> <p>20 gathered from an industry report?</p> <p>21 A No.</p> <p>22 Q Let me ask a more general question. In</p> |
| <p>22</p> <p>1 Q Okay. Any -- what other uses, other than</p> <p>2 to see what's going on in the market and to identify</p> <p>3 the competition, do you use them for?</p> <p>4 A To see some of the features of other -- you</p> <p>5 know, ratings of features of other companies.</p> <p>6 Q The features and functionality of other</p> <p>7 companies' Supply Chain Management product?</p> <p>8 A Yes.</p> <p>9 Q And that's important to know, if Lawson</p> <p>10 wants to stay competitive with -- with other</p> <p>11 companies that are out there in the marketplace?</p> <p>12 A Yes.</p> <p>13 Q Do those reports also provide Lawson with</p> <p>14 intelligence with respect to market trends?</p> <p>15 A Yes.</p> <p>16 Q Those reports also supply Lawson with</p> <p>17 intelligence as to new market opportunities?</p> <p>18 A Yes.</p> <p>19 Q And those reports also provide Lawson with</p> <p>20 information and intelligence with respect to</p> <p>21 potential new product offerings?</p> <p>22 A Yes.</p> | <p>24</p> <p>1 your role in providing a roadmap as to where to</p> <p>2 invest in new applications --</p> <p>3 A Mm-hmm.</p> <p>4 Q -- for Lawson, and specifically in the</p> <p>5 Supply Chain Management area, what new applications</p> <p>6 have you recommended that the company consider or</p> <p>7 adopt?</p> <p>8 A I recommended a supplier portal.</p> <p>9 Q Okay. Anything else?</p> <p>10 A I recommended a -- a specialty department</p> <p>11 inventory.</p> <p>12 Q Specialty department inventory?</p> <p>13 A Right.</p> <p>14 Q Okay. Anything else?</p> <p>15 A New product item add process.</p> <p>16 Q New product item add process, okay.</p> <p>17 A A recall management application.</p> <p>18 Q Recall management application, fine. Thank</p> <p>19 you. Anything else?</p> <p>20 A Those are the ones that come to -- come to</p> <p>21 mind.</p> <p>22 Q Okay. Taking the supplier portal first --</p> |

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| <p>25</p> <p>1 A Mm-hmm.</p> <p>2 Q -- tell me which you mean when you say you</p> <p>3 recommended the company adopt a supplier portal</p> <p>4 application as part of its Supply Chain Management</p> <p>5 functionality.</p> <p>6 A I put together a business case on</p> <p>7 functionality to connect with suppliers.</p> <p>8 Q And let me break that down if I could a</p> <p>9 little bit. So, first, understand it wasn't a</p> <p>10 technical description. It was more of a business</p> <p>11 opportunity for a supplier portal functionality; is</p> <p>12 that right -- strike that.</p> <p>13 Let me -- what do you mean by -- when you</p> <p>14 use the term "business case"?</p> <p>15 A Business case explains the potential</p> <p>16 product and the opportunity for it, to justify</p> <p>17 investing in the product.</p> <p>18 Q Does that include a technical component for</p> <p>19 the business -- for this application?</p> <p>20 A When you say techni- -- technical</p> <p>21 component?</p> <p>22 Q How it's going to be implemented</p> | <p>27</p> <p>1 correct me if I'm wrong -- but there are product</p> <p>2 suites, and then I think the next breakdown is an</p> <p>3 application, and then there's specific product</p> <p>4 modules. Is that -- are you familiar with that</p> <p>5 breakdown?</p> <p>6 A Yes.</p> <p>7 Q Okay. And when you get to the product</p> <p>8 module level, for example in Supply Chain</p> <p>9 Management, there are requisition modules, correct?</p> <p>10 A Yes.</p> <p>11 Q And there's Requisitions Self-Service</p> <p>12 modules I've seen, correct?</p> <p>13 A No. We call that an application.</p> <p>14 Q Okay. That's -- that's an application.</p> <p>15 A Mm-hmm.</p> <p>16 Q How about the purchase order, is that a</p> <p>17 module or an application?</p> <p>18 A Module.</p> <p>19 Q I've seen punchout procurement. Is that a</p> <p>20 module or an application, in your view?</p> <p>21 A Application.</p> <p>22 Q Okay. Is there a submodule for the</p> |
| <p>26</p> <p>1 specifically. You know, what -- what's going to be</p> <p>2 required as far as implementing a business portal as</p> <p>3 opposed to why it makes business sense.</p> <p>4 A Yes.</p> <p>5 Q So you did both. The business case, in</p> <p>6 your view, includes both kind of a practical</p> <p>7 business reason for coming up with the application</p> <p>8 and a technical component as to how it could be</p> <p>9 implemented?</p> <p>10 A I guess I don't quite understand what you</p> <p>11 mean by technical components.</p> <p>12 Q Well, it's going to be a software</p> <p>13 product --</p> <p>14 A Mm-hmm.</p> <p>15 Q -- that's going to be on an add-on to the</p> <p>16 existing Supply Chain Management software modules,</p> <p>17 right?</p> <p>18 A Yes.</p> <p>19 Q Okay. I mean, I've looked a lot of the</p> <p>20 documentation. I've been through a few of these</p> <p>21 depositions. I mean, as far as, you know, what I</p> <p>22 understand the way the products break down --</p> | <p>28</p> <p>1 punchout procurement application?</p> <p>2 A No.</p> <p>3 Q How do you distinguish between modules and</p> <p>4 applications?</p> <p>5 A It's how we sell.</p> <p>6 Q Okay. And when you say how we sell, can</p> <p>7 you be more specific?</p> <p>8 A It's the level at which we license</p> <p>9 products.</p> <p>10 Q Oh, I see. So if you're -- you're</p> <p>11 licensing an application and it could come with</p> <p>12 certain modules; is that right?</p> <p>13 A Yes.</p> <p>14 Q Did the company adopt the supplier portal</p> <p>15 that you made a business case for?</p> <p>16 A Yes.</p> <p>17 Q Approximately when did it do that? Year</p> <p>18 would be fine.</p> <p>19 A Can you clarify -- yeah. 2008.</p> <p>20 Q Would you consider the supplier portal to</p> <p>21 be a module or an application?</p> <p>22 A An application.</p> |

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| <p>29</p> <p>1 Q Okay. Were there modules within the</p> <p>2 supplier portal application?</p> <p>3 A No.</p> <p>4 Q Okay. I think you said that the supplier</p> <p>5 portal was to provide access to supplier goods, is</p> <p>6 that right, being offered for sale to potential user</p> <p>7 of the Supply Chain Management Suite or product?</p> <p>8 A No.</p> <p>9 Q Okay. What was the purpose of the supplier</p> <p>10 portal?</p> <p>11 A The purpose of the supplier portal, which</p> <p>12 we call supplier order management, is to provide</p> <p>13 suppliers with access to information about purchase</p> <p>14 orders and view the status of their invoices.</p> <p>15 Q When a customer of Lawson obtains a</p> <p>16 supplier -- well, strike that. Let me rephrase.</p> <p>17 If you have a customer of Supply Chain</p> <p>18 Management solution from Lawson and they want to</p> <p>19 have the capability of having the suppliers be able</p> <p>20 to check the status of invoices and obtain</p> <p>21 information on purchase orders, is that application</p> <p>22 sold to the -- your -- your customer, the buyer's,</p> | <p>31</p> <p>1 Q Okay. You're familiar with S3 and M3?</p> <p>2 A Yes.</p> <p>3 Q Do you consider you have primary</p> <p>4 responsible for one over the other?</p> <p>5 A Yes.</p> <p>6 Q S3?</p> <p>7 A Yes.</p> <p>8 Q Do you work at all with the M3 product?</p> <p>9 A Not currently.</p> <p>10 Q That suggests you've worked with it in the</p> <p>11 past?</p> <p>12 A Yes.</p> <p>13 Q What time period was that, sir?</p> <p>14 A I believe two thousand -- I believe 2007.</p> <p>15 Q Just during that calendar year?</p> <p>16 A Yes.</p> <p>17 Q What was your involvement in the calendar</p> <p>18 year 2007 with the M3 product?</p> <p>19 A I worked on product management around M3</p> <p>20 procurement products.</p> <p>21 Q And what did you do working on product</p> <p>22 management around M3 procurement products?</p> |
| <p>30</p> <p>1 or is it sold to the suppliers? Do you understand</p> <p>2 my question?</p> <p>3 A Mm-hmm.</p> <p>4 Q Okay. What is it?</p> <p>5 A The app is sold to buyers.</p> <p>6 Q Okay. So the buyers are going to use</p> <p>7 Supply Chain Management to obtain goods from various</p> <p>8 vendors. They're the ones who get that application</p> <p>9 so that their suppliers can check on the status of a</p> <p>10 purchase order, for example?</p> <p>11 A Yes.</p> <p>12 Q Okay. You mentioned a specialty department</p> <p>13 inventory?</p> <p>14 A Yes.</p> <p>15 Q Okay. What is that, sir?</p> <p>16 A That is a product to help hospitals manage</p> <p>17 their inventory in cath labs, radiology, OR.</p> <p>18 Q And is that just for the healthcare</p> <p>19 industry?</p> <p>20 A Yes.</p> <p>21 Q And does that just involve the S3 product?</p> <p>22 A Yes.</p> | <p>32</p> <p>1 A Worked on a business case for mobility, the</p> <p>2 mobility products.</p> <p>3 Q And when you say mobility, is that for</p> <p>4 mobile inventory checking?</p> <p>5 A It was for -- it was mobile -- mobile</p> <p>6 warehouse and inventory.</p> <p>7 Q The M3 product has to do more with</p> <p>8 manufacturing, correct?</p> <p>9 A Yes.</p> <p>10 Q And the S3 product is aimed at the service</p> <p>11 industries, correct?</p> <p>12 A Yes.</p> <p>13 Q Healthcare, public sector. That's the two</p> <p>14 that come to my mind. Correct?</p> <p>15 A Yes.</p> <p>16 Q Do you know whether or not the company</p> <p>17 adopted your recommendations with respect to the</p> <p>18 business case for a mobile warehouse and inventory</p> <p>19 capability for the M3 product?</p> <p>20 A No, I'm not sure if they did.</p> <p>21 Q This specialty department inventory that's</p> <p>22 offered to the healthcare industry as part of the S3</p> |

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| <p>33</p> <p>1 product suite, was that adopted by the company?</p> <p>2 A Yes.</p> <p>3 Q Again, just in the same way I asked you</p> <p>4 about the supplier portal --</p> <p>5 A Mm-hmm.</p> <p>6 Q -- this specialty department inventory is</p> <p>7 something that's offered as part of the features and</p> <p>8 functionality of a product to the buyer, correct.</p> <p>9 the Lawson customer?</p> <p>10 A Yes.</p> <p>11 Q The inventory that it's checking, is that</p> <p>12 checking inventory that's already been purchased by</p> <p>13 the buyer and is being housed, you know, at a</p> <p>14 facility?</p> <p>15 A Yes.</p> <p>16 Q Okay. It's not inventory, for example,</p> <p>17 that the supplier has available in its warehouse for</p> <p>18 sale of the product, right?</p> <p>19 A No, it's not.</p> <p>20 Q Okay. Do you know whether or not there are</p> <p>21 any offering by Lawson with respect to identifying</p> <p>22 available supplier inventory that a buyer can access</p> | <p>35</p> <p>1 Q And as part of Lawson's offerings, will</p> <p>2 they create that Item Master for a particular</p> <p>3 customer if the customer so desires?</p> <p>4 A Will Lawson create?</p> <p>5 Q Yes, sir.</p> <p>6 A No.</p> <p>7 Q You don't offer that service?</p> <p>8 A No.</p> <p>9 Q Who offers that service?</p> <p>10 A The customer normally does it themselves.</p> <p>11 Q The inventory control module permits the</p> <p>12 customer to determine what items it wants to put in</p> <p>13 that module, correct?</p> <p>14 A Sorry. Could you repeat --</p> <p>15 Q Sure.</p> <p>16 A -- repeat the question?</p> <p>17 Q The inventory control module you mentioned</p> <p>18 before, permits the customer to determine what items</p> <p>19 it wants to put in that module?</p> <p>20 A Yes.</p> <p>21 Q And this new product add item process was a</p> <p>22 way for a particular customer to add specific new</p> |
| <p>34</p> <p>1 to determine whether a desired product, for example,</p> <p>2 is -- is available?</p> <p>3 A No.</p> <p>4 Q You're not aware of that?</p> <p>5 A No.</p> <p>6 Q You mentioned a new product add -- excuse</p> <p>7 me -- new product item add process. Do you recall</p> <p>8 that?</p> <p>9 A Yes.</p> <p>10 Q Okay. Can you tell me what you meant by</p> <p>11 that, sir?</p> <p>12 A It's a workflow for end users to request to</p> <p>13 add a new product to the Item Master.</p> <p>14 Q And what -- what is the Item Master? What</p> <p>15 do you understand that to be?</p> <p>16 A The Item Master is the list of products</p> <p>17 within the inventory control module.</p> <p>18 Q Okay. So a user of the Supply Chain</p> <p>19 Management software solution offered by Lawson can</p> <p>20 have an Item Master or list of goods that are</p> <p>21 available from suppliers; is that right?</p> <p>22 A Yes.</p> | <p>36</p> <p>1 items that it wants to put in that module?</p> <p>2 A Yes.</p> <p>3 Q How does the inventory control module get</p> <p>4 populated with data with respect to goods for sale</p> <p>5 in the first instance?</p> <p>6 A The customer populates it.</p> <p>7 Q And where does the customer obtain the data</p> <p>8 from?</p> <p>9 A From a supplier.</p> <p>10 Q Do you work with suppliers to make their</p> <p>11 data available to potential customers?</p> <p>12 A I guess I'm not sure if I completely</p> <p>13 understand the question.</p> <p>14 Q Okay. What don't you understand about it?</p> <p>15 A Making the data available.</p> <p>16 Q Well, the vendors have information with</p> <p>17 respect to the products that they're offering,</p> <p>18 correct?</p> <p>19 A Yes.</p> <p>20 Q Does Lawson work with those vendors in any</p> <p>21 way, shape, or form to provide that data, make it</p> <p>22 available to the customers?</p> |

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| <p>37</p> <p>1 A Yes.</p> <p>2 Q In what way, sir?</p> <p>3 A We provide EDI connections to vendors.</p> <p>4 Q There's a Lawson EDI module, right?</p> <p>5 A That's correct.</p> <p>6 Q And do you need to use the Lawson EDI</p> <p>7 module with the Lawson Supply Chain Management</p> <p>8 solution?</p> <p>9 A No.</p> <p>10 Q Do most of the customers use the EDI Lawson</p> <p>11 module with the Lawson Supply Chain Management</p> <p>12 solution?</p> <p>13 A It depends upon the industry.</p> <p>14 Q Okay. What industry uses it more often</p> <p>15 than not?</p> <p>16 A Healthcare.</p> <p>17 Q Does Lawson require the healthcare industry</p> <p>18 to use the Lawson EDI?</p> <p>19 A No.</p> <p>20 Q What percentage would you say of the</p> <p>21 healthcare customers that Lawson has that employ the</p> <p>22 Lawson EDI as opposed to some other EDI?</p> | <p>39</p> <p>1 are -- there are partners with Lawson; is that</p> <p>2 right? That's what you call them, right?</p> <p>3 A Yes.</p> <p>4 Q Okay. You enter into agreements with these</p> <p>5 punchout partners, right?</p> <p>6 A With some of them.</p> <p>7 Q You don't enter into agreements with all of</p> <p>8 them?</p> <p>9 A No.</p> <p>10 Q You don't have a written agreement with</p> <p>11 every punchout partner?</p> <p>12 A No.</p> <p>13 Q Okay. Can you give me some examples of the</p> <p>14 punchout partners you don't have agreements with?</p> <p>15 A Yes.</p> <p>16 Q What would they be?</p> <p>17 A Dell Computer.</p> <p>18 Q Is that it?</p> <p>19 A No.</p> <p>20 Q Can you give me another example.</p> <p>21 A Office Depot.</p> <p>22 Q Give me any examples you can think of.</p> |
| <p>38</p> <p>1 A I don't know the exact -- exact percentage.</p> <p>2 I believe it's about -- it's about approximately 50</p> <p>3 percent or so.</p> <p>4 Q Okay. What other EDI would the healthcare</p> <p>5 industry be using if not the Lawson EDI?</p> <p>6 A A third-party translator like a Sterling.</p> <p>7 Q Okay. Does Lawson make any other efforts</p> <p>8 or contributions to assisting its customers with</p> <p>9 obtaining vendor information with respect to items</p> <p>10 that are being offered for sale?</p> <p>11 MS. HUGHEY: Objection, vague.</p> <p>12 BY MR. ROBERTSON:</p> <p>13 Q Other than this EDI process you've been</p> <p>14 describing.</p> <p>15 A So we -- yes, we do.</p> <p>16 Q Okay. What would that be, sir?</p> <p>17 A We have punchout partners.</p> <p>18 Q And what do you mean when you use the</p> <p>19 term "punchout partner," sir?</p> <p>20 A We have third-party companies that --</p> <p>21 vendors that we can punchout to, our product.</p> <p>22 Q Okay. First, you indicated that there</p> | <p>40</p> <p>1 A Staples.</p> <p>2 Q Any other?</p> <p>3 A School Specialty.</p> <p>4 Q Any other?</p> <p>5 A Fisher Scientific.</p> <p>6 Q Any other?</p> <p>7 A Cardinal.</p> <p>8 Q Can you keep going?</p> <p>9 A Grainger.</p> <p>10 Q Why don't you just give me any and all you</p> <p>11 can think of.</p> <p>12 A Okay. McKesson, Steelcase. I'm just</p> <p>13 trying to recall the official ones. Those are the</p> <p>14 ones that I can remember right now.</p> <p>15 Q Okay. The company does enter into</p> <p>16 agreements, though, with many of its punchout</p> <p>17 partners, correct?</p> <p>18 MS. HUGHEY: Objection, vague.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q You can answer.</p> <p>21 A Can you define by -- what you mean by many?</p> <p>22 Q You've seen agreements that have been --</p> |

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| <p>41</p> <p>1 written agreements that have been specifically</p> <p>2 entered into between Lawson and a punchout partner,</p> <p>3 right?</p> <p>4 A Yes.</p> <p>5 Q Of the universe of punchout partners that</p> <p>6 Lawson has, you've given me a number of examples of</p> <p>7 companies with which Lawson has no written</p> <p>8 agreement, correct?</p> <p>9 A Yes.</p> <p>10 Q If you had to take your best estimate as to</p> <p>11 the percentage of punchout partners that Lawson has</p> <p>12 a written agreement with out of the universe of</p> <p>13 punchout partners, what would that percentage be?</p> <p>14 A I would estimate around 15 percent.</p> <p>15 Q 15?</p> <p>16 A 15 to 20 percent.</p> <p>17 Q Okay. And so Lawson doesn't have written</p> <p>18 agreements with respect to 80 to 85 percent of its</p> <p>19 punchout partners?</p> <p>20 A Approximately.</p> <p>21 Q And why is that?</p> <p>22 A Historically, we haven't had a program for</p> | <p>43</p> <p>1 scenario, but our services team could configure that</p> <p>2 trading partner within our Procurement Punchout to</p> <p>3 make it accessible.</p> <p>4 Q When you say configure, what do you mean by</p> <p>5 the term "configure," sir?</p> <p>6 A When I say configure, I mean set up the</p> <p>7 login credentials and information to get into that</p> <p>8 -- that particular site.</p> <p>9 Q So Lawson has to do that specifically for a</p> <p>10 customer so it can obtain that data, correct?</p> <p>11 A No.</p> <p>12 Q Well, I thought you said you had to</p> <p>13 configure it to set up the login credentials in</p> <p>14 order to access a particular site. Did I</p> <p>15 misunderstand your answer?</p> <p>16 A I -- the customer can also configure it</p> <p>17 themselves. So Lawson services or the customer</p> <p>18 could configure that themselves.</p> <p>19 Q Okay. But Lawson would provide that</p> <p>20 service if the customer requests it, correct?</p> <p>21 A Yes.</p> <p>22 Q Does Lawson charge for that service?</p> |
| <p>42</p> <p>1 partners.</p> <p>2 Q Well, how is it that Lawson would get a</p> <p>3 Dell Computer or an Office Depot or a Staples to</p> <p>4 work with it as a punchout partner to provide data</p> <p>5 with respect to goods to its potential users of the</p> <p>6 Supply Chain Management solution?</p> <p>7 A A customer, a mutual customer would have</p> <p>8 requested, we'd work together.</p> <p>9 Q All right. So when the customer says to</p> <p>10 Lawson, for example, that it's going to want to have</p> <p>11 access to data from an Office Depot and a stable --</p> <p>12 Staples, for example, so that it can make decisions</p> <p>13 as to the kind of office supplies it wants to</p> <p>14 purchase, what does Lawson do to facilitate that?</p> <p>15 A It depends upon the particular scenario.</p> <p>16 Q Let's take the scenario I just mentioned,</p> <p>17 like an Office Depot or Staples, someone with which</p> <p>18 Lawson has no written agreement. What does Lawson</p> <p>19 do to facilitate access to that data?</p> <p>20 A Lawson in those -- I don't know the</p> <p>21 specific -- you know, can't speak to specifically</p> <p>22 Office -- Office Depot or Staples, that exact</p> | <p>44</p> <p>1 A Yes.</p> <p>2 Q You also mentioned the recall management</p> <p>3 application that you made a recommendation for. Do</p> <p>4 you recall that?</p> <p>5 A Yes.</p> <p>6 Q Can you tell me what you meant by -- just</p> <p>7 tell me the specifics of what that particular</p> <p>8 application is.</p> <p>9 A That particular application is designed to</p> <p>10 manage product recalls in the healthcare industry.</p> <p>11 Q Okay. So particular syringe or catheter or</p> <p>12 something has a defect in it and there's being a</p> <p>13 product recall, this application has the ability to</p> <p>14 tell the buyer about problems associated with the</p> <p>15 products?</p> <p>16 A The vision would be to have that recall</p> <p>17 notice be managed by the hospital to identify if</p> <p>18 they have any of those products in the hospital.</p> <p>19 Q Okay. You said vision. Does that mean or</p> <p>20 does that suggest that it wasn't adopted?</p> <p>21 A It hasn't -- it hasn't been developed yet.</p> <p>22 Q The new product item add process, was that</p> |

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| <p>45</p> <p>1 application something that was adopted by Lawson?</p> <p>2 A No.</p> <p>3 Q Never adopted?</p> <p>4 A It -- it has never been built.</p> <p>5 Q This specialty department inventory -- I</p> <p>6 may have asked you this or not -- was that an</p> <p>7 application that was adopted?</p> <p>8 A Yes.</p> <p>9 Q I'm familiar with certain organizational</p> <p>10 groups within the company such as the marketing</p> <p>11 department and product management and finance. Is</p> <p>12 there a specific department that your role falls</p> <p>13 within?</p> <p>14 A Yes.</p> <p>15 Q What would that be?</p> <p>16 A Product management.</p> <p>17 Q Okay. Is Mr. Hager your direct supervisor</p> <p>18 or boss?</p> <p>19 A No.</p> <p>20 Q Who's your direct report?</p> <p>21 A Darci Snyder.</p> <p>22 Q Darci Snyder?</p> | <p>47</p> <p>1 Q And I think Mr. Hager I recall told me his</p> <p>2 position was a senior vice president of strategic S3</p> <p>3 product management and human capital, something like</p> <p>4 that? Do you know Mr. Hager's title as you sit</p> <p>5 here? I'm sorry. I'm just trying to recall.</p> <p>6 A No.</p> <p>7 Q Okay, fair enough. Do you have any</p> <p>8 subordinates who work for you?</p> <p>9 A No.</p> <p>10 Q You're kind of the Lone Ranger out there?</p> <p>11 A No.</p> <p>12 Q Do you, as part of your support and</p> <p>13 sales -- support of the sales and marketing group</p> <p>14 with respect to product info, conduct competitive</p> <p>15 analysis from time to time?</p> <p>16 A Yes.</p> <p>17 Q Okay. In your role as a product</p> <p>18 strategist, do you have any particular reports that</p> <p>19 you're required to generate?</p> <p>20 A No.</p> <p>21 Q As part of your duties and responsibilities</p> <p>22 as product strategist, have you from time to time</p> |
| <p>46</p> <p>1 A Yes.</p> <p>2 Q And is that a woman?</p> <p>3 A Yes.</p> <p>4 Q And where is Ms. Snyder physically located</p> <p>5 within the company?</p> <p>6 A St. Paul, Minnesota.</p> <p>7 Q What department is Ms. Snyder in?</p> <p>8 A Product management.</p> <p>9 Q Is -- who is Ms. Snyder's direct report or</p> <p>10 supervisor?</p> <p>11 A Jennifer Langer.</p> <p>12 Q And Ms. Langer is within product</p> <p>13 management?</p> <p>14 A Yes.</p> <p>15 Q Who's Ms. Langer's direct support -- excuse</p> <p>16 me -- report?</p> <p>17 A Direct supervisor?</p> <p>18 Q Yes, sir.</p> <p>19 A Dean Hager.</p> <p>20 Q So, ultimately, are you within Mr. Hager's</p> <p>21 group?</p> <p>22 A Yes.</p> | <p>48</p> <p>1 generated reports with respect to competitive</p> <p>2 analysis?</p> <p>3 A Yes.</p> <p>4 Q Do you do that just on an ad hoc basis?</p> <p>5 A Yes.</p> <p>6 Q Okay. From time to time from management,</p> <p>7 whether it be Ms. Hager or -- Mr. Hager -- excuse</p> <p>8 me -- or Ms. Snyder or anyone else, are you</p> <p>9 requested to produce specific reports?</p> <p>10 A Yes.</p> <p>11 Q Okay. Is there any type of specific report</p> <p>12 that you found yourself generating at the request of</p> <p>13 management on a, you know, repeated basis?</p> <p>14 A Yes.</p> <p>15 Q What would that be?</p> <p>16 A My status report.</p> <p>17 Q Okay. And what does the status report that</p> <p>18 you're requested to generate on a repeated basis</p> <p>19 consist of?</p> <p>20 A It consists of updates on previous week's</p> <p>21 activities and priorities for the next week's</p> <p>22 activities.</p> |

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| <p>49</p> <p>1 Q So from that, do I infer that you generate</p> <p>2 this report on a weekly basis?</p> <p>3 A Yes.</p> <p>4 Q And what kind of activities from the</p> <p>5 previous week are you reporting on as part of</p> <p>6 this -- strike that.</p> <p>7 Does the report have a name that you</p> <p>8 utilize?</p> <p>9 A Yes.</p> <p>10 Q What's it called?</p> <p>11 A I believe it's called status report and my</p> <p>12 initials and the date.</p> <p>13 Q Okay. Are you solely responsible for the</p> <p>14 content of that status report?</p> <p>15 A Of my status report, yes.</p> <p>16 Q Okay. So you're the -- you're the</p> <p>17 principal and sole author of this weekly status</p> <p>18 report; is that right?</p> <p>19 A Yes.</p> <p>20 Q Okay. And this weekly status report that</p> <p>21 you are the author of, can you tell me what</p> <p>22 typically falls within the content of the report?</p> | <p>51</p> <p>1 programs.</p> <p>2 Q Okay. But who provides that information to</p> <p>3 you?</p> <p>4 A The product launch team.</p> <p>5 Q Are they part of product management?</p> <p>6 A I don't believe so.</p> <p>7 Q Do you know what group within the company</p> <p>8 they're part of?</p> <p>9 A I don't remember the name -- the name of</p> <p>10 their group.</p> <p>11 Q Other than these weekly status reports, in</p> <p>12 your role as a product strategist, are you called</p> <p>13 upon to produce any other reports on a weekly basis</p> <p>14 or any other basis?</p> <p>15 A No.</p> <p>16 Q Any quarterly reports you need to generate</p> <p>17 as part of your responsibilities?</p> <p>18 A No.</p> <p>19 Q Any year-end report?</p> <p>20 A No.</p> <p>21 Q Any monthly report?</p> <p>22 A No.</p> |
| <p>50</p> <p>1 A Yes.</p> <p>2 Q And what is it?</p> <p>3 A Updates on development projects --</p> <p>4 Q Okay.</p> <p>5 A -- I'm working on.</p> <p>6 Q Okay.</p> <p>7 A Updates on requirements, writing.</p> <p>8 Q Anything else?</p> <p>9 A Any product launch activities.</p> <p>10 Q Okay. Anything else besides those three?</p> <p>11 A Any -- any significant sales support done.</p> <p>12 Q Sales support that you have conducted?</p> <p>13 A Yes.</p> <p>14 Q Okay. Besides update on development</p> <p>15 products, updates on requirements, product launch</p> <p>16 activities, and sales support, anything else that</p> <p>17 your weekly status report contains?</p> <p>18 A Those are the -- those are the areas it</p> <p>19 covers.</p> <p>20 Q Okay. Where do you get information</p> <p>21 concerning new product launch activities?</p> <p>22 A From -- as part of the launch -- launch</p> | <p>52</p> <p>1 Q When is this product -- or, excuse me.</p> <p>2 When is this status report due? On any particular</p> <p>3 day of the week?</p> <p>4 A Thursday.</p> <p>5 Q And who do you send it to?</p> <p>6 A Darci Snyder.</p> <p>7 Q Do you know who Ms. Snyder distribute it --</p> <p>8 distributes it to?</p> <p>9 A Yes.</p> <p>10 Q And who would that be?</p> <p>11 A Jennifer Langer.</p> <p>12 Q Do you know who Ms. Langer distributes it</p> <p>13 to?</p> <p>14 A No.</p> <p>15 Q Were you asked, as part of this litigation,</p> <p>16 to collect any documents that might be responsive to</p> <p>17 requests made by my client in the case?</p> <p>18 A Yes.</p> <p>19 Q Okay. These weekly status reports, did you</p> <p>20 provide them to counsel to produce in the case?</p> <p>21 A I -- yes.</p> <p>22 Q Okay. Where -- where would they have been</p> |

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| <p>53</p> <p>1 located? Do you have hard copies of them?</p> <p>2 A No.</p> <p>3 Q Are they all electronic versions?</p> <p>4 A Yes.</p> <p>5 Q They're all on your personal laptop?</p> <p>6 A Yes.</p> <p>7 Q Company-issued laptop?</p> <p>8 A Yes.</p> <p>9 Q How far do they go back?</p> <p>10 A I'm -- I'm not certain how far they go</p> <p>11 back.</p> <p>12 Q More than a year?</p> <p>13 A No.</p> <p>14 Q More than 6 months?</p> <p>15 A Not certain about that.</p> <p>16 Q What's your best estimate, as you sit here</p> <p>17 right now, as to how far -- how long you've been</p> <p>18 generating these weekly status reports?</p> <p>19 A Probably -- about 4 to 6 months, probably.</p> <p>20 Q Was there a particular reason that you were</p> <p>21 charged with generating a weekly status report</p> <p>22 approximately 4 to 6 months ago?</p> | <p>55</p> <p>1 that were in your possession on your hard drive on</p> <p>2 your company-issued laptop?</p> <p>3 A I believe so.</p> <p>4 Q Okay. How about e-mails, do you know</p> <p>5 whether or not the company -- or excuse me --</p> <p>6 whether counsel obtained e-mails from you with</p> <p>7 respect to this litigation?</p> <p>8 A They did collect my e-mail, yes.</p> <p>9 Q How long have you had this particular</p> <p>10 laptop that you're working with?</p> <p>11 A This particular laptop, since earlier this</p> <p>12 year.</p> <p>13 Q Okay. Did you have a company-issued laptop</p> <p>14 prior to 2009?</p> <p>15 A Yes.</p> <p>16 Q Okay. Do you know whether or not the</p> <p>17 information contained on the hard drive of that</p> <p>18 previous laptop was transferred to your new laptop</p> <p>19 sometime in 2009?</p> <p>20 A Yes.</p> <p>21 Q Okay. How long did you have that previous</p> <p>22 laptop?</p> |
| <p>54</p> <p>1 A It was a new -- new activity that they</p> <p>2 wanted all product management to -- all the product</p> <p>3 managers to report on.</p> <p>4 Q Okay. Maybe I'm not understanding your</p> <p>5 answer. Was there specific new activity that caused</p> <p>6 the product managers to have to report on a weekly</p> <p>7 status basis?</p> <p>8 A I'm not -- not that I'm aware of.</p> <p>9 Q This was just --</p> <p>10 A Yeah.</p> <p>11 Q -- management said, hey, you know, we want</p> <p>12 to know what's going on a weekly basis so we want</p> <p>13 you to start generating weekly status reports; is</p> <p>14 that right?</p> <p>15 A Yes.</p> <p>16 Q So it's sort of like a management tool.</p> <p>17 What are you working on and, you know, what -- what</p> <p>18 are you -- what -- what's involved in your</p> <p>19 day-to-day operations?</p> <p>20 A Yes.</p> <p>21 Q Do you know whether or not you provided</p> <p>22 counsel with copies of all the weekly status reports</p> | <p>56</p> <p>1 A I'm not -- not certain how long I had that</p> <p>2 previous one.</p> <p>3 Q Okay. Do you know since 2005 whether or</p> <p>4 not you've continued to have the data on your laptop</p> <p>5 transferred to any succession laptop you've</p> <p>6 obtained?</p> <p>7 A Yes.</p> <p>8 Q And is the answer you have?</p> <p>9 A Yes, I have.</p> <p>10 Q Okay. So the laptop that was searched in</p> <p>11 2009, for purposes of this litigation, would have</p> <p>12 any of the data that you've had that might be</p> <p>13 relevant since your employment with the company in</p> <p>14 2005?</p> <p>15 A Yes.</p> <p>16 Q The weekly status report that you generate,</p> <p>17 does it ever include information with respect to</p> <p>18 competitive analysis?</p> <p>19 A Yeah, I don't recall if it has.</p> <p>20 Q I did understand you to testify earlier</p> <p>21 that you have conducted competitive analysis on</p> <p>22 behalf of Lawson, correct?</p> |

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| <p>57</p> <p>1 A Yes.</p> <p>2 Q Where do you obtain the information that</p> <p>3 you utilize for those competitive analyses?</p> <p>4 A From competitive -- competitor web sites,</p> <p>5 other employee experiences -- experiences of other</p> <p>6 employees in competing against them, analyst</p> <p>7 materials.</p> <p>8 Q Some of those reports we were talking about</p> <p>9 earlier, you'll -- you'll look at to find</p> <p>10 information about competitors?</p> <p>11 A Yes.</p> <p>12 Q How about -- you said other employees.</p> <p>13 Specifically, you're talking about sales employees?</p> <p>14 A Yes.</p> <p>15 Q To familiarize yourself with who the</p> <p>16 competition is out in the marketplace for a specific</p> <p>17 customer?</p> <p>18 A Yes.</p> <p>19 Q Are you at all involved in the RFP process</p> <p>20 with the company?</p> <p>21 A Yes.</p> <p>22 Q Okay. By RFP process, you understand me to</p> | <p>59</p> <p>1 A Yes.</p> <p>2 Q Is it accurate to say that in many</p> <p>3 instances both the account executive and the</p> <p>4 solutions consultant provide the content of the</p> <p>5 responses to the RFPs that the company completes?</p> <p>6 A Yes.</p> <p>7 Q Okay. The solution consultants, they're in</p> <p>8 product management group, correct?</p> <p>9 A No.</p> <p>10 Q What group are they in, sir?</p> <p>11 A They are in sales.</p> <p>12 Q Okay. Do you work with both the account</p> <p>13 executives and the solution consultants in providing</p> <p>14 content in responses to RFPs?</p> <p>15 A Yes.</p> <p>16 Q What -- what specifically have you done in</p> <p>17 the past to assist the solution consultants and the</p> <p>18 sales account executives with respect to responding</p> <p>19 to RFPs?</p> <p>20 A I've reviewed responses and provided</p> <p>21 answers to questions they didn't know the answer to.</p> <p>22 Q Are you familiar with the fact that the</p> |
| <p>58</p> <p>1 mean a request for a proposal by an existing or</p> <p>2 potential customer of the company's products?</p> <p>3 A Yes.</p> <p>4 Q And from time to time the company's called</p> <p>5 upon to provide responses to specific questions in a</p> <p>6 response for a -- excuse me -- a request for a</p> <p>7 proposal from a particular customer, correct?</p> <p>8 A Yes.</p> <p>9 Q What is your role -- or what has been your</p> <p>10 role historically in that RFP process?</p> <p>11 A My role is typically to help answer RFP</p> <p>12 questions that the salespeople are not able to</p> <p>13 answer.</p> <p>14 Q Okay. Correct me if I'm wrong, but based</p> <p>15 on other deposition testimony I've seen or been</p> <p>16 involved in in this case, the typical people who</p> <p>17 respond to these RFPs are, one, the account</p> <p>18 executive that's in a sales department, correct?</p> <p>19 A Yes.</p> <p>20 Q And then there's also an individual whose</p> <p>21 title is a solution consultant. Are you familiar</p> <p>22 with that?</p> | <p>60</p> <p>1 company maintains a library, an electronic database,</p> <p>2 of standard answers to commonly asked questions by</p> <p>3 potential customers?</p> <p>4 A It is my understanding that we do.</p> <p>5 Q Okay. Do you have access to that library</p> <p>6 of standard answers to commonly asked questions in</p> <p>7 the RFP process?</p> <p>8 A I'm -- actually I'm not sure.</p> <p>9 Q Okay. In your role as a product strategist</p> <p>10 for Supply Chain Management, have you had occasion</p> <p>11 to draft or create standard answers to commonly</p> <p>12 asked questions in the RFP process?</p> <p>13 A Not that I remember, no.</p> <p>14 Q Okay. Can you give me some specific</p> <p>15 examples of types of questions that a solution</p> <p>16 consultant or an account executive has requested of</p> <p>17 you in order to be able to complete an RFP?</p> <p>18 A I can think of -- often for new products</p> <p>19 they'll come to -- come to us for questions because</p> <p>20 they're not -- may not be as familiar with the</p> <p>21 functionality.</p> <p>22 Q Okay. And can you give me some examples of</p> |

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| <p>61</p> <p>1 some of the new products that they've come to you</p> <p>2 with questions because they weren't familiar with</p> <p>3 the functionality?</p> <p>4 A Contract management application.</p> <p>5 Q Any others?</p> <p>6 A Strategic sourcing.</p> <p>7 Q What's strategic sourcing?</p> <p>8 A Strategic sourcing is an electronic RFP/RFQ</p> <p>9 software product.</p> <p>10 Q It's an elec- -- it's a software product</p> <p>11 for responding to RFPs and RFQs?</p> <p>12 A It's a -- it's a product for creating and</p> <p>13 sending them out.</p> <p>14 Q As part of your competitive analysis</p> <p>15 efforts, you indicated that you sometimes would</p> <p>16 visit the web sites of competitors; is that right?</p> <p>17 A Yes.</p> <p>18 Q Have you had occasion when you visit web</p> <p>19 sites of competitors, to actually download and print</p> <p>20 out information that's available there?</p> <p>21 A Yes.</p> <p>22 Q Have you generated any reports to company</p> | <p>63</p> <p>1 A Yes.</p> <p>2 Q Okay. What -- what would be contained in</p> <p>3 the hard copy document files? Just general</p> <p>4 high-level categories, you can give me that.</p> <p>5 A They would be printouts of the electronic</p> <p>6 versions that I was reviewing.</p> <p>7 Q Okay. Specifically with respect to content</p> <p>8 that's available on competitive web sites, some of</p> <p>9 these you maintain electronically and some you would</p> <p>10 actually print out information that was available</p> <p>11 that you could download on your computer and then</p> <p>12 print?</p> <p>13 A Yes.</p> <p>14 Q It's fair to say that web sites by their</p> <p>15 very nature are constantly changing and evolving and</p> <p>16 have links that are one day available and links that</p> <p>17 are sometimes dead links, right?</p> <p>18 A Yes.</p> <p>19 Q I mean, Lawson has a web site, for example,</p> <p>20 in which you can obtain information as to its</p> <p>21 product offerings, correct?</p> <p>22 A Yes.</p> |
| <p>62</p> <p>1 management based on information that you've gleaned</p> <p>2 from a particular competitive web site?</p> <p>3 A Yes.</p> <p>4 Q Do you maintain files with respect to</p> <p>5 product offerings available from competitors that</p> <p>6 you've obtained from their web sites?</p> <p>7 A Yes.</p> <p>8 Q Okay. How long have you been doing that,</p> <p>9 sir?</p> <p>10 A I'm not certain how long.</p> <p>11 Q Have you been doing it for more than a</p> <p>12 year, downloading information from competitor web</p> <p>13 sites and maintaining files with respect to them?</p> <p>14 A Yes.</p> <p>15 Q More than 3 years?</p> <p>16 A I'm not -- not certain.</p> <p>17 Q Do you have -- strike that.</p> <p>18 Are these electronic files, or are they</p> <p>19 hard copy files or both?</p> <p>20 A Electronic.</p> <p>21 Q Do you maintain -- maintain any hard copy</p> <p>22 document files?</p> | <p>64</p> <p>1 Q And specifically available at the Lawson</p> <p>2 web site, for example, are what are commonly known</p> <p>3 as white papers describing features and</p> <p>4 functionality of product offerings, correct?</p> <p>5 A Yes.</p> <p>6 Q You ever have any role in providing content</p> <p>7 for any of those white papers with respect to</p> <p>8 product offerings?</p> <p>9 A Yes.</p> <p>10 Q Do you know, can you give me any specific</p> <p>11 example of any white paper that you've made</p> <p>12 contributions to as to the information contained in</p> <p>13 them?</p> <p>14 A Yes. With regards to a white paper, a</p> <p>15 procurement compliance white paper.</p> <p>16 Q Is that available on the Lawson web site</p> <p>17 today?</p> <p>18 A I don't know for certain.</p> <p>19 Q Okay. What is in the procurement</p> <p>20 compliance white paper? What's the subject matter?</p> <p>21 A The subject matter is around controls</p> <p>22 around the purchasing process and how you can use</p> |

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| <p>65</p> <p>1 software to help manage those controls over the</p> <p>2 purchasing process.</p> <p>3 Q Have you contributed to any other white</p> <p>4 papers with respect to the purchasing process or the</p> <p>5 Supply Chain Management product offerings?</p> <p>6 A Yes. Yes, I have.</p> <p>7 Q Okay. Going back to these analyses or --</p> <p>8 or just review of competitive web sites and</p> <p>9 downloading of certain information, both</p> <p>10 electronically and in hard copy, did you make that</p> <p>11 available to counsel in this case, in response to</p> <p>12 document requests that have been made?</p> <p>13 A I made the electronic on my hard drive</p> <p>14 available.</p> <p>15 Q Okay. You didn't provide copies of the --</p> <p>16 or access to the -- the hard copies of this</p> <p>17 material?</p> <p>18 A No, I did not.</p> <p>19 Q Okay.</p> <p>20 MR. ROBERTSON: Counsel, we'd specifically</p> <p>21 request that you would review whatever hard copy</p> <p>22 files that Mr. Lohkamp has with respect to these</p> | <p>67</p> <p>1 A Yes.</p> <p>2 Q -- you became aware of it?</p> <p>3 A Yes.</p> <p>4 Q Have you downloaded anything from their web</p> <p>5 site since the lawsuit was filed?</p> <p>6 A No.</p> <p>7 Q Did you create an electronic file with</p> <p>8 respect to ePlus after you became aware of the</p> <p>9 lawsuit?</p> <p>10 A No.</p> <p>11 Q What -- what at the ePlus web site did you</p> <p>12 review?</p> <p>13 A I reviewed the home page, and I reviewed</p> <p>14 the areas related to procurement processes.</p> <p>15 Q Okay. What did that involve, if you</p> <p>16 recall?</p> <p>17 A Sorry. The process of -- I'm not sure I</p> <p>18 understand your question.</p> <p>19 Q What specific content involving the</p> <p>20 procurement process did you review on the ePlus web</p> <p>21 site?</p> <p>22 A I looked at the product information</p> |
| <p>66</p> <p>1 competitive analyses, because they might not be</p> <p>2 duplicative of what's available in electronic format</p> <p>3 that was reviewed.</p> <p>4 BY MR. ROBERTSON:</p> <p>5 Q Mr. Lohkamp, as you sit here today, can you</p> <p>6 recall specifically the names of any of the</p> <p>7 competitors of Lawson that -- whose web sites you</p> <p>8 have reviewed for content?</p> <p>9 A Yes.</p> <p>10 Q Okay. And what would they be?</p> <p>11 A SAP.</p> <p>12 Q Okay.</p> <p>13 A Oracle, Ariba, McKesson, I think Procuri.</p> <p>14 Those are the ones I -- I can recall.</p> <p>15 Q How about Epicor, you ever review them?</p> <p>16 A Not that I recall.</p> <p>17 Q What about my client, ePlus?</p> <p>18 A Not -- not as part of competitive analysis.</p> <p>19 Q Okay. As part of something else?</p> <p>20 A Went to their site after getting the</p> <p>21 notice.</p> <p>22 Q After the lawsuit was filed --</p> | <p>68</p> <p>1 management. I looked at the -- the general -- the</p> <p>2 procurement area, and I looked at case studies.</p> <p>3 Q And did you printout anything from that</p> <p>4 review?</p> <p>5 A No.</p> <p>6 Q You indicated that, as part of your</p> <p>7 competitive analysis, you sometimes talk to those</p> <p>8 persons involved in the -- the sales process to</p> <p>9 obtain information. Do you recall that?</p> <p>10 A Yes.</p> <p>11 Q What specifically -- what kind of</p> <p>12 information specifically are you looking for when</p> <p>13 you talk to them?</p> <p>14 A It -- it depends upon the particular</p> <p>15 situation. Typically, looking for who they've been</p> <p>16 competing against and what have been the -- you</p> <p>17 know, the setups or differentiators.</p> <p>18 Q When you've inquired as to sales</p> <p>19 individuals who were involved in the process of</p> <p>20 trying to obtain new business, have you ever had</p> <p>21 occasion to see documentation that the competitor is</p> <p>22 offering to a respective customer?</p> |

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| <p>69</p> <p>1 A No.</p> <p>2 Q Have you ever seen demonstrations of any</p> <p>3 other competitors' Supply Chain Management products?</p> <p>4 A Yes.</p> <p>5 Q How recently?</p> <p>6 A Last week.</p> <p>7 Q Okay. Whose -- whose demonstration did you</p> <p>8 see last week?</p> <p>9 A Oracle's.</p> <p>10 Q Okay. How'd you get access to an Oracle</p> <p>11 demonstration?</p> <p>12 A I was attending Oracle OpenWorld.</p> <p>13 Q Excuse me?</p> <p>14 A I was attending Oracle OpenWorld at their</p> <p>15 user conference.</p> <p>16 Q There are industry events in the Supply</p> <p>17 Chain Management world that occur on a periodic</p> <p>18 basis; is that right?</p> <p>19 A Yes.</p> <p>20 Q Are there any specific recurring ones that</p> <p>21 you're familiar with, either annually or biannually?</p> <p>22 A Yes.</p> | <p>71</p> <p>1 strategist, do you attend these events?</p> <p>2 A Yes.</p> <p>3 Q Have you attended either event during the</p> <p>4 calendar year 2009?</p> <p>5 A Yes. Yes.</p> <p>6 Q How -- how recent were either of these</p> <p>7 events?</p> <p>8 A I believe AHRMM was in July and HIMSS I</p> <p>9 believe was in April.</p> <p>10 Q Okay. Do you obtain information with</p> <p>11 respect to competitor product offerings when you --</p> <p>12 when you attend these industry events?</p> <p>13 A Yes.</p> <p>14 Q Who are some of the competitors that you</p> <p>15 have seen making product offerings in Supply Chain</p> <p>16 Management area at these events?</p> <p>17 A I've seen Oracle and McKesson.</p> <p>18 Q How about SAP?</p> <p>19 A I believe -- I believe SAP was there.</p> <p>20 Q Ariba?</p> <p>21 A No.</p> <p>22 Q Procuri?</p> |
| <p>70</p> <p>1 Q Can you give me some of the examples of</p> <p>2 those?</p> <p>3 A AHRMM, A-H-R-M-M.</p> <p>4 Q How often does that occur, this AHRMM</p> <p>5 event?</p> <p>6 A Yearly.</p> <p>7 Q Any others, sir?</p> <p>8 A HIMSS, H-I-M-S-S.</p> <p>9 Q And how often does that occur?</p> <p>10 A Yearly.</p> <p>11 Q Okay. Any others that you know of?</p> <p>12 A No.</p> <p>13 Q So the AHRMM event, do you know what AHRMM</p> <p>14 stands for in that instance?</p> <p>15 A Association for Healthcare Resource &</p> <p>16 Materials Management.</p> <p>17 Q And how about HIMSS, do you know what that</p> <p>18 acronym stands for?</p> <p>19 A Health -- I -- I believe it's Health</p> <p>20 Information Management Society, and so I don't know</p> <p>21 if I got it quite right.</p> <p>22 Q As part of your role as a product</p> | <p>72</p> <p>1 A No.</p> <p>2 Q Okay. How about ePlus?</p> <p>3 A No.</p> <p>4 Q You did -- excuse me.</p> <p>5 You have heard of ePlus prior to the filing</p> <p>6 of this lawsuit, correct?</p> <p>7 A Yes.</p> <p>8 Q Okay. What were the circumstances in which</p> <p>9 you heard of ePlus prior to the -- your becoming</p> <p>10 aware of the lawsuit?</p> <p>11 A Initially, I became aware of them at a VHA</p> <p>12 Leadership Conference in 2003.</p> <p>13 Q And what does VHA stand for, sir?</p> <p>14 A I believe it stands for Voluntary Health</p> <p>15 Association.</p> <p>16 Q Okay. And how did you become aware of them</p> <p>17 at the VHA Leadership Conference in 2003?</p> <p>18 A They had a booth at the conference.</p> <p>19 Q Did you visit the booth?</p> <p>20 A Yes.</p> <p>21 Q And do you recall what product offerings</p> <p>22 they were exhibiting at the booth?</p> |

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| <p>73</p> <p>1 A I don't remember the exact details. I</p> <p>2 remember it had to do something with a catalog</p> <p>3 and -- in procurement.</p> <p>4 Q Did you obtain any information from the</p> <p>5 ePlus booth at the VHA Leadership Conference in</p> <p>6 2003?</p> <p>7 A I'm not certain if I did.</p> <p>8 Q Did -- have you made an effort to review</p> <p>9 any of the documentation you have, hard copy</p> <p>10 documentation as to whether or not you obtained any</p> <p>11 information at the VHA Leadership Conference in</p> <p>12 2003?</p> <p>13 A No.</p> <p>14 Q You didn't make that effort?</p> <p>15 A Well, I don't have that -- any</p> <p>16 documentation from that.</p> <p>17 Q Well how do you know that if you didn't</p> <p>18 make the effort?</p> <p>19 A So I -- I guess --</p> <p>20 Q Let me rephrase it.</p> <p>21 A Yeah.</p> <p>22 Q Did you go back and review your hard copy</p> | <p>75</p> <p>1 reviewed Forrester reports that included the</p> <p>2 eProcurement Wave that referenced ePlus?</p> <p>3 A Yes.</p> <p>4 Q Okay. Do you recall when that was?</p> <p>5 A I'm not certain of the date. I believe it</p> <p>6 was in 2008.</p> <p>7 Q 2008?</p> <p>8 A Yes.</p> <p>9 Q How about prior to 2008, do you recall ever</p> <p>10 reviewing a Forrester report that referenced ePlus?</p> <p>11 A Not that I can recall.</p> <p>12 Q Are you aware, sir, that my client ePlus</p> <p>13 was involved in a lawsuit back in 2005 involving</p> <p>14 Ariba?</p> <p>15 A Yes, I am.</p> <p>16 Q And when did you learn that information?</p> <p>17 A As part of this suit.</p> <p>18 Q Prior to your awareness of this lawsuit</p> <p>19 involving Lawson, were you ever aware that ePlus was</p> <p>20 involved in a lawsuit with Ariba?</p> <p>21 A Not that I can recall.</p> <p>22 Q How about SAP, were you aware prior to the</p> |
| <p>74</p> <p>1 files to determine whether you had any ePlus</p> <p>2 information as to any of its product offerings?</p> <p>3 A Yes, I did.</p> <p>4 Q Okay. And as a result of that review, did</p> <p>5 you uncover anything?</p> <p>6 A No.</p> <p>7 Q Other than that VHA Leadership Conference</p> <p>8 in 2003 in which you visited an ePlus booth, is</p> <p>9 there any other source of information as to ePlus</p> <p>10 that you were aware of prior to the lawsuit?</p> <p>11 A I did see ePlus listed in the Forrester</p> <p>12 eProcurement Wave.</p> <p>13 Q eProcurement Wave?</p> <p>14 A Yes.</p> <p>15 Q What do you mean by that, sir?</p> <p>16 A It is a Forrester report they do on the</p> <p>17 procurement market.</p> <p>18 Q Do you recall when you most recently</p> <p>19 reviewed a Forrester eProcurement Wave that included</p> <p>20 information as to ePlus?</p> <p>21 A Within the past week.</p> <p>22 Q How about prior to the last week, have you</p> | <p>76</p> <p>1 filing of this lawsuit that ePlus was involved in</p> <p>2 litigation with SAP?</p> <p>3 A Not that I can recall.</p> <p>4 Q Were you aware that industry reports like</p> <p>5 Gartner and Forrester and others reported on the</p> <p>6 litigation between ePlus and Ariba?</p> <p>7 MS. HUGHEY: Objection, foundation.</p> <p>8 THE WITNESS: No, I'm not aware.</p> <p>9 BY MR. ROBERTSON:</p> <p>10 Q You have any occasion to ever see any news</p> <p>11 accounts involving litigation by ePlus with any</p> <p>12 other company involving the same patents that are at</p> <p>13 issue in this case?</p> <p>14 A Not that I can recall.</p> <p>15 MR. ROBERTSON: We've been going about an</p> <p>16 hour and 22 minutes. Do you want to take a short</p> <p>17 break? Thanks. Okay.</p> <p>18 THE VIDEOGRAPHER: This marks the end of</p> <p>19 Volume 1, Tape No. 1 in the deposition of Keith</p> <p>20 Lohkamp. Going off the record. The time is 11:02,</p> <p>21 a.m.</p> <p>22 (Recess.)</p> |

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| <p>77</p> <p>1 THE VIDEOGRAPHER: Back on the record.</p> <p>2 Here marks the beginning of Volume 1, Tape No. 2 in</p> <p>3 the deposition of Keith Lohkamp. The time is 11:20,</p> <p>4 a.m.</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Mr. Lohkamp, we were talking about the</p> <p>7 document collection that was done from your files,</p> <p>8 electronic and hard copy, earlier this morning. Do</p> <p>9 you recall that?</p> <p>10 A Yes.</p> <p>11 Q Do you know approximately when that search</p> <p>12 was conducted?</p> <p>13 A Yes.</p> <p>14 Q When would that be?</p> <p>15 A I believe approximately May this year.</p> <p>16 Q Okay. These weekly status reports that you</p> <p>17 mentioned --</p> <p>18 A Mm-hmm.</p> <p>19 Q -- do you know if they were produced during</p> <p>20 that May search?</p> <p>21 A The -- yes, the ones that were done at that</p> <p>22 time.</p> | <p>79</p> <p>1 Q And then someone has now taken a look at</p> <p>2 your hard drive again in September?</p> <p>3 A I'm just trying to recall whether it was in</p> <p>4 August or Sep- -- September. I believe it -- yeah,</p> <p>5 I believe it was September.</p> <p>6 Q Okay. And do you know whether or not, as a</p> <p>7 result of that review, additional weekly status</p> <p>8 reports authored by you were produced?</p> <p>9 A Yes.</p> <p>10 Q Okay. And would the answer be that, yes,</p> <p>11 they were produced?</p> <p>12 A Yes, they were produced.</p> <p>13 Q Did the -- does the report have your name</p> <p>14 on a -- on a cover page?</p> <p>15 A Yes.</p> <p>16 Q And does it say -- I mean, what -- what --</p> <p>17 what would appear on the cover page? Would it say</p> <p>18 weekly status report by Keith Lohkamp? Did you give</p> <p>19 it a particular name?</p> <p>20 A Yes. It's a product management status</p> <p>21 report and it has my name on it, Keith Lohkamp.</p> <p>22 Q Does it have anybody else's name on it?</p> |
| <p>78</p> <p>1 Q When you say that were done, I thought you</p> <p>2 had indicated that you'd been generating those</p> <p>3 reports for approximately 4 to 6 months. Would --</p> <p>4 would the production have included all of the</p> <p>5 reports that had been generated during that time</p> <p>6 period?</p> <p>7 A No.</p> <p>8 Q Okay. Why not?</p> <p>9 A Well, it would have included all the ones</p> <p>10 that were done at that time.</p> <p>11 Q Okay.</p> <p>12 A And then any new ones that have been done</p> <p>13 since then, though I do -- my hard drive was -- was</p> <p>14 looked at in September, I believe, so --</p> <p>15 Q All right. So -- so I understand that,</p> <p>16 someone took a snapshot and looked at your hard</p> <p>17 drive back in May --</p> <p>18 A Mm-hmm.</p> <p>19 Q -- and available on that hard drive at the</p> <p>20 time would have been whatever reports, weekly status</p> <p>21 reports had been generated as of that time, correct?</p> <p>22 A Yes.</p> | <p>80</p> <p>1 A Not that I'm aware of.</p> <p>2 Q I represent we searched for any documents</p> <p>3 that would have your name on it, and we're not</p> <p>4 identifying these weekly status reports. I'm not --</p> <p>5 I don't doubt that they -- they were -- I would</p> <p>6 expect that they were produced, but we're having a</p> <p>7 difficult time. So we'll try and do a search during</p> <p>8 the lunch break.</p> <p>9 Is there anything else that you could</p> <p>10 identify in the report that would help us in -- in</p> <p>11 our search? I mean do you -- let me ask you this.</p> <p>12 Do you specifically think it's entitled</p> <p>13 "Product Management Status Report"?</p> <p>14 A The -- the file name specifically?</p> <p>15 Q No. The name that occurs on the cover page</p> <p>16 of the report, the title of the document.</p> <p>17 A I -- I can't remember exact title on it.</p> <p>18 MR. ROBERTSON: I don't know if you know</p> <p>19 this, Rachel, whether it was, you know, part of the</p> <p>20 recent production. I think we've got a half a</p> <p>21 million pages of documents over the past few days,</p> <p>22 but we don't have any of those reports from what we</p> |

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| <p>81</p> <p>1 can determine now, but I'll go back and check.</p> <p>2 BY MR. ROBERTSON:</p> <p>3 Q The -- the competitor files that you were</p> <p>4 referencing, are they organized by competitor?</p> <p>5 A Yes.</p> <p>6 Q Okay. So there'd be a file electronic and</p> <p>7 perhaps hard copy, for example, that is SAP?</p> <p>8 A Yes.</p> <p>9 Q And there's one for Oracle?</p> <p>10 A I believe so.</p> <p>11 Q Is there one for Ariba?</p> <p>12 A I believe so.</p> <p>13 Q Is there one for Procuri that you</p> <p>14 mentioned?</p> <p>15 A I don't think so.</p> <p>16 Q Okay. I don't know if I specifically asked</p> <p>17 you this. Do you know if you have one for ePlus?</p> <p>18 A Yes -- oh, no, I don't have one.</p> <p>19 Q Have you created one since the lawsuit was</p> <p>20 filed?</p> <p>21 A No.</p> <p>22 Q You are a product strategist specifically</p> | <p>83</p> <p>1 A The core functionality would be inventory</p> <p>2 control to maintain items and your stock levels and</p> <p>3 purchase order process, must be able to order, order</p> <p>4 the goods or services.</p> <p>5 Q Anything else?</p> <p>6 A Those would be the core functions.</p> <p>7 Q How about the requisition process, can --</p> <p>8 is that -- is that required in some way, shape, or</p> <p>9 form?</p> <p>10 A No, it's not. It's not required.</p> <p>11 Q Okay. So I could do Supply Chain</p> <p>12 Management simply by having a purchase order module</p> <p>13 and an inventory control module?</p> <p>14 A Yes.</p> <p>15 Q So everything that I wanted to acquire in</p> <p>16 that instance, I -- I would just have to purchase</p> <p>17 without going through a requisition process; is that</p> <p>18 right?</p> <p>19 A That -- yes.</p> <p>20 Q Okay. Is that typical of a Supply Chain</p> <p>21 Management solution offered by Lawson?</p> <p>22 MS. HUGHEY: Objection, vague.</p> |
| <p>82</p> <p>1 for the Supply Chain Management product, correct?</p> <p>2 A Yes.</p> <p>3 Q And that has been your position since you</p> <p>4 started with the company, correct?</p> <p>5 A Yes.</p> <p>6 Q Can you tell me at a high level what --</p> <p>7 your understanding of what Supply Chain Management</p> <p>8 entails?</p> <p>9 A At -- at a high level, it involves the</p> <p>10 acquisition, movement, and -- and inventory of -- of</p> <p>11 goods.</p> <p>12 Q Are you finished?</p> <p>13 A Yes.</p> <p>14 Q As part of a Supply Chain Management</p> <p>15 solution, do you have a view as to whether or not</p> <p>16 there are any sort of essential requirements to that</p> <p>17 process of acquisition, movement, and inventory of</p> <p>18 goods?</p> <p>19 A Yes.</p> <p>20 Q Okay. What would they be? The core</p> <p>21 functionality that's required for a Supply Chain</p> <p>22 Management solution.</p> | <p>84</p> <p>1 THE WITNESS: No.</p> <p>2 BY MR. ROBERTSON:</p> <p>3 Q It's not typical?</p> <p>4 A No, it's not typical.</p> <p>5 Q Okay. So, typically, is there some sort of</p> <p>6 requisition application or module that is being</p> <p>7 offered with a Supply Chain Management solution by</p> <p>8 Lawson?</p> <p>9 A Yes.</p> <p>10 Q Okay. You're familiar with the requisition</p> <p>11 module and the Requisitions Self-Service module, or</p> <p>12 did you refer to them as applications before? I</p> <p>13 just want to make sure we're talking the same</p> <p>14 terminology.</p> <p>15 A Requisitions Self-Service application.</p> <p>16 Q How about the requisitions?</p> <p>17 A A module.</p> <p>18 Q Can I get -- strike that.</p> <p>19 And just so I understand, you differentiate</p> <p>20 from module from application as to how the company</p> <p>21 actually sells it; is that right?</p> <p>22 A Yes.</p> |

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| <p>85</p> <p>1 Q I mean, but at the end of the day, both of</p> <p>2 them are a software offering, correct, whether we're</p> <p>3 talking about requisitions or Requisitions</p> <p>4 Self-Service?</p> <p>5 A Yes.</p> <p>6 Q Okay. Procurement Punchout, do you view</p> <p>7 that as an application or a module?</p> <p>8 A An application.</p> <p>9 Q Okay. The purchase order module, is that a</p> <p>10 module?</p> <p>11 A It's a module.</p> <p>12 Q Inventory control, application or module?</p> <p>13 A Module.</p> <p>14 Q The Lawson EDI for Supply Chain Management?</p> <p>15 A Application.</p> <p>16 Q How about, are you aware of the vendor</p> <p>17 self-service software product?</p> <p>18 A Yes.</p> <p>19 Q Application or module?</p> <p>20 A Application.</p> <p>21 Q As you sit here right now, specifically</p> <p>22 with talking about the S3 Supply Chain Management</p> | <p>87</p> <p>1 what card are they holding?</p> <p>2 A A company-issued procurement card.</p> <p>3 Q Which provides authorization for the</p> <p>4 individual to obtain goods?</p> <p>5 A Yes.</p> <p>6 Q Is that -- is that a method of managing the</p> <p>7 approval process in requisitioning and purchasing?</p> <p>8 A I'm not sure I completely understand the</p> <p>9 premise of your question.</p> <p>10 Q Is it -- is it an authorization process?</p> <p>11 That is, the person who has the card is authorized</p> <p>12 to make certain purchases?</p> <p>13 A Typically based on how the card's set up.</p> <p>14 Q Are you talking about -- when you're</p> <p>15 talking about cards, are you talking about</p> <p>16 company-issued credit card type things?</p> <p>17 A Yes.</p> <p>18 Q We were talking about some of the core</p> <p>19 functionality of the S3 Supply Chain Management</p> <p>20 product. You mentioned that it's -- you got to have</p> <p>21 purchase order and you've got to have inventory</p> <p>22 control and you typically have some sort of</p> |
| <p>86</p> <p>1 offering, what other applications or modules do you</p> <p>2 recall that Lawson offers, other than the ones we</p> <p>3 just mentioned?</p> <p>4 A As part of a Supply Chain Management?</p> <p>5 Q Yes, sir.</p> <p>6 A Yes. Strategic sourcing, contract</p> <p>7 management, mobile Supply Chain Management, surgical</p> <p>8 instrument management, point of use, procurement</p> <p>9 card self-service.</p> <p>10 Q Any others?</p> <p>11 A And distribution management and customer</p> <p>12 self-service.</p> <p>13 Q What is the point of use module?</p> <p>14 A The point of use application is for</p> <p>15 hospitals to manage inventory and track utilization</p> <p>16 of products for patient care.</p> <p>17 Q How about the procurement card</p> <p>18 self-service, what is that, application or module?</p> <p>19 A Procurement card self-service provides</p> <p>20 access to cardholders to review their procurement</p> <p>21 card statements and approve them.</p> <p>22 Q What -- what kind of cardholders? What --</p> | <p>88</p> <p>1 requisition module or application, correct?</p> <p>2 A Yes.</p> <p>3 Q Other than those three that we've talked</p> <p>4 about, can you tell me, is there any others that are</p> <p>5 typical as part of the core functionality for</p> <p>6 Lawson's S3 Supply Chain Management offering?</p> <p>7 MS. HUGHEY: Objection, vague.</p> <p>8 THE WITNESS: I'd say it depends on the</p> <p>9 industry.</p> <p>10 BY MR. ROBERTSON:</p> <p>11 Q Okay. Let's take the healthcare industry,</p> <p>12 for example. At its base, core, what -- what other</p> <p>13 module or application would you include as being</p> <p>14 typical in the Lawson Supply Chain Management</p> <p>15 offering for that --for that type of company?</p> <p>16 A Requisitions Self-Service.</p> <p>17 Q Okay. How about in the public sector?</p> <p>18 A There isn't one that's always included.</p> <p>19 Q More often than not, does the public sector</p> <p>20 have some sort of requisition application or module?</p> <p>21 A Yes.</p> <p>22 Q Is it more typical in the public sector to</p> |

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| <p>89</p> <p>1 have Requisitions Self-Service application or the</p> <p>2 requisitions module?</p> <p>3 A Requisitions module.</p> <p>4 Q Is it more typical than not or more likely</p> <p>5 than not in the healthcare industry to have</p> <p>6 Requisitions Self-Service application as opposed to</p> <p>7 the requisitions module?</p> <p>8 A No.</p> <p>9 Q It's more -- it's more typical to have</p> <p>10 requisitions module?</p> <p>11 A Yes.</p> <p>12 Q How often in the healthcare industry does</p> <p>13 Lawson provide an EDI for Supply Chain Management?</p> <p>14 More often than not?</p> <p>15 A More often than not, yes.</p> <p>16 Q How about in the public sector industry,</p> <p>17 more often than not? Same question.</p> <p>18 A No.</p> <p>19 Q Less often?</p> <p>20 A Less often.</p> <p>21 Q In the public sector industry, how is it</p> <p>22 that those customers obtain data and information as</p> | <p>91</p> <p>1 Management, what would the percentage be?</p> <p>2 A Customers that have both would be less</p> <p>3 than -- less than 10 percent.</p> <p>4 Q That have both?</p> <p>5 A Yes.</p> <p>6 Q So what percentage is the EDI offering of</p> <p>7 the overall SCI Supply Chain Management?</p> <p>8 A I believe it's approximately about 20, 25</p> <p>9 percent.</p> <p>10 Q Okay. So the EDI offering is about 10 to</p> <p>11 15 percent of the total offerings of Supply Chain</p> <p>12 Management solutions that the company sells. Is</p> <p>13 that what you're saying?</p> <p>14 A No.</p> <p>15 Q All right. I'm confused. I guess what I'm</p> <p>16 trying to get at is, is sort of the total offerings</p> <p>17 that Lawson makes of the S3 Supply Chain Management,</p> <p>18 what percentage have both or I guess have either one</p> <p>19 or the other? Do you understand my question?</p> <p>20 A Mm-hmm. All right. So -- and you're</p> <p>21 asking about number?</p> <p>22 Q Percentage.</p> |
| <p>90</p> <p>1 to vendors' goods, if not through EDI?</p> <p>2 A It would depend upon their relationship</p> <p>3 with their suppliers.</p> <p>4 Q Okay. What about Procurement Punchout, in</p> <p>5 the public sector, is that more often or less often</p> <p>6 than not in the typical SCM offering by Lawson?</p> <p>7 A Less often.</p> <p>8 Q For punchout procurement, looking at S3 SCM</p> <p>9 in total, what percentage of the offerings would you</p> <p>10 say include the punchout -- excuse me -- Procurement</p> <p>11 Punchout application?</p> <p>12 A Less than -- less than 10 percent.</p> <p>13 Q Okay. Looking at the S3 SCM offering in</p> <p>14 total, what percentage would you say include</p> <p>15 Procurement Punchout application plus the EDI</p> <p>16 application for Supply Chain Management?</p> <p>17 A So just -- could you repeat your question.</p> <p>18 Q Yeah. Looking at them together, I think</p> <p>19 you indicated that punchout procurement is -- what</p> <p>20 did you say? -- about 10 percent or a little less</p> <p>21 than 10 percent. So take that 10 percent together</p> <p>22 with the Lawson EDI offering for Supply Chain</p> | <p>92</p> <p>1 A Percentage. So the percentage that has</p> <p>2 both?</p> <p>3 Q Yes, sir. Either one or the other.</p> <p>4 A Okay. Then I would -- I would estimate</p> <p>5 it's about -- about 25 percent.</p> <p>6 Q We were talking about competition earlier</p> <p>7 with respect to certain companies, and I asked you</p> <p>8 whether or not you'd become aware, prior to the</p> <p>9 lawsuit, whether or not Lawson had competed with any</p> <p>10 prospective customer with ePlus. Do you recall</p> <p>11 that?</p> <p>12 A Yes.</p> <p>13 Q And I thought I understood you to say that</p> <p>14 you had been aware from salespeople of certain</p> <p>15 instances in which Lawson had competed for business;</p> <p>16 is that right?</p> <p>17 MS. HUGHEY: Objection, mischaracterizes</p> <p>18 the earlier testimony.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Well, clarify it for her, if you can.</p> <p>21 A No.</p> <p>22 Q Had you spoken to any salespeople, prior to</p> |

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| <p>93</p> <p>1 the -- your awareness of this lawsuit, in which they</p> <p>2 had competed with ePlus for business?</p> <p>3 A Yes.</p> <p>4 Q Okay. When was that, sir?</p> <p>5 A That was, I believe, in May 2008.</p> <p>6 Q And you re- -- recall specifically what</p> <p>7 potential customer that involved?</p> <p>8 A It involved Cleveland Clinic.</p> <p>9 Q And was there a specific salesperson that</p> <p>10 you interacted with with respect to the Cleveland</p> <p>11 Clinic opportunity?</p> <p>12 A Yes.</p> <p>13 Q Who would that be?</p> <p>14 A Bob Pogyor.</p> <p>15 Q I'm sorry. Bob?</p> <p>16 A Pogyor.</p> <p>17 Q Pogyor. Is Mr. Pogyor an account</p> <p>18 executive?</p> <p>19 A Yes.</p> <p>20 Q Was Mr. Pogyor the sales contact for the</p> <p>21 Cleveland Clinic?</p> <p>22 A Yes.</p> | <p>95</p> <p>1 A He told me that the Cleveland Clinic was</p> <p>2 trying to decide between SciQuest and ePlus and that</p> <p>3 they were looking at our punchout as a way to</p> <p>4 connect.</p> <p>5 Q The Procurement Punchout application we</p> <p>6 were discussing earlier?</p> <p>7 A Yes.</p> <p>8 Q And you said looking at your punchout to</p> <p>9 connect. Connect what to what?</p> <p>10 A To connect Lawson Procurement application</p> <p>11 to the -- an external catalog.</p> <p>12 Q And who would be providing the external</p> <p>13 catalog?</p> <p>14 A My understanding at the time, it would</p> <p>15 either be SciQuest or ePlus.</p> <p>16 Q And so the Lawson Procurement Punchout</p> <p>17 would be a way to connect the customer, in this</p> <p>18 instance the Cleveland Clinic, to an external</p> <p>19 catalog that would be provided by either SciQuest or</p> <p>20 ePlus?</p> <p>21 A Yes.</p> <p>22 Q Okay. When Mr. Weiss mentioned this to</p> |
| <p>94</p> <p>1 Q And you spoke personally with Mr. Pogyor</p> <p>2 with respect to that bid?</p> <p>3 A Yes.</p> <p>4 Q Okay. What did Mr. Pogyor tell you as to</p> <p>5 the factual circumstances involving the competition</p> <p>6 with ePlus for that potential customer?</p> <p>7 A I -- I did not speak with him regarding</p> <p>8 ePlus specifically.</p> <p>9 Q What did you speak with him with respect to</p> <p>10 the Cleveland Clinic bid?</p> <p>11 A The RFP response.</p> <p>12 Q And how was it that you came to learn that</p> <p>13 ePlus was competing for that customer?</p> <p>14 A From a solution consultant.</p> <p>15 Q And what would the name of that solutions</p> <p>16 consultant be?</p> <p>17 A Brett Weiss.</p> <p>18 Q Brett?</p> <p>19 A Brett.</p> <p>20 Q Weiss. And what did Mr. Weiss tell you</p> <p>21 with respect to the competition involving ePlus for</p> <p>22 the Cleveland Clinic bid?</p> | <p>96</p> <p>1 you, was that the first time you'd ever heard of</p> <p>2 ePlus?</p> <p>3 A No.</p> <p>4 Q What was the prior occasion that you'd</p> <p>5 become aware of ePlus in the electronic procurement</p> <p>6 market?</p> <p>7 A As I mentioned earlier, the 2003 VHA</p> <p>8 leadership.</p> <p>9 Q Okay. Other than this reference by</p> <p>10 Mr. Weiss during the RFP process with the Cleveland</p> <p>11 Clinic and that 2003 booth that you visited, are</p> <p>12 those the only two occasions in which you had heard</p> <p>13 of ePlus?</p> <p>14 A No.</p> <p>15 Q Okay. What other occasions?</p> <p>16 A In reviewing the Forrester eProcurement</p> <p>17 Wave.</p> <p>18 Q And I think you indicated that you reviewed</p> <p>19 that about a week ago and that you'd reviewed it in</p> <p>20 the past; is that right?</p> <p>21 A Yes.</p> <p>22 Q And prior to the -- your awareness of this</p> |

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| <p>97</p> <p>1 lawsuit, you had reviewed the Forrester report that</p> <p>2 had mentioned ePlus as a company that was a</p> <p>3 competitor in the electronic procurement market?</p> <p>4 MS. HUGHEY: Objection, mischaracterizes</p> <p>5 the witness's earlier testimony.</p> <p>6 THE WITNESS: No.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q When was it that you had reviewed the</p> <p>9 Forrester report that referenced ePlus?</p> <p>10 A I don't recall the exact time, but I know</p> <p>11 it was the Forrester 2007 report. So I believe that</p> <p>12 I would have reviewed it in early 2008, when it came</p> <p>13 out.</p> <p>14 Q Okay. All right. So other than these</p> <p>15 three instances: you visited the ePlus booth in</p> <p>16 2003 --</p> <p>17 A Mm-hmm.</p> <p>18 Q -- and you spoke to Mr. Weiss with respect</p> <p>19 to the Cleveland Clinic offering sometime in May of</p> <p>20 2008 and the Forrester report that you reviewed</p> <p>21 sometime in 2008, had you ever heard of ePlus other</p> <p>22 than those three occasions?</p> | <p>99</p> <p>1 willing to work with either -- either party. So I</p> <p>2 wasn't saying that it'd technically certainty -- for</p> <p>3 a certainty work.</p> <p>4 Q You were saying you thought you would be</p> <p>5 able to modify it, if necessary, to be compatible</p> <p>6 with either a SciQuest or an ePlus external catalog?</p> <p>7 MS. HUGHEY: Objection, mischaracterizes</p> <p>8 the witness's testimony.</p> <p>9 THE WITNESS: No, that's not what I was</p> <p>10 saying.</p> <p>11 BY MR. ROBERTSON:</p> <p>12 Q Then I'm misunderstanding.</p> <p>13 A Yeah.</p> <p>14 Q How did you indicate that you thought it</p> <p>15 would be capable of working with either SciQuest or</p> <p>16 ePlus if you didn't do any research?</p> <p>17 A Well, what I -- what I was saying to Brett</p> <p>18 was that we would be open to working with either</p> <p>19 company, but on the call we hadn't done due</p> <p>20 diligence on the technical aspects of connecting to</p> <p>21 ePlus.</p> <p>22 Q Do you know whether or not Brett then</p> |
| <p>98</p> <p>1 A Not that I recall, no.</p> <p>2 Q What else, if anything, do you recall that</p> <p>3 Mr. Weiss told you with respect to ePlus's</p> <p>4 competition for the Cleveland Clinic bid?</p> <p>5 A The -- the other part of the discussion</p> <p>6 was, you know, would we be able to work with</p> <p>7 either -- either one if they chose either ePlus or</p> <p>8 SciQuest. We discussed that and said, yes, we would</p> <p>9 work with either one.</p> <p>10 Q Okay. How do you know that the Procurement</p> <p>11 Punchout application would have been compatible with</p> <p>12 the external catalog offering of ePlus?</p> <p>13 A I was -- I wasn't sure.</p> <p>14 Q Did you do any research to determine</p> <p>15 whether Lawson's Procurement Punchout application</p> <p>16 would have been compatible with an ePlus product</p> <p>17 offering?</p> <p>18 A No.</p> <p>19 Q Then how were you able to answer in the</p> <p>20 affirmative that it would work with an external</p> <p>21 ePlus catalog?</p> <p>22 A So what I was answering is that we'd be</p> | <p>100</p> <p>1 undertook any further investigation to determine</p> <p>2 whether or not the Procurement Punchout application</p> <p>3 Lawson was offering would be compatible with an</p> <p>4 ePlus external catalog?</p> <p>5 A No. I don't know.</p> <p>6 Q Do you know who won the Cleveland Clinic</p> <p>7 bid?</p> <p>8 A Yes.</p> <p>9 Q Who was it?</p> <p>10 A SciQuest and Lawson for punchout.</p> <p>11 Q Do you know whether or not Lawson is still</p> <p>12 offering a punchout procurement application with</p> <p>13 respect to the Cleveland Clinic?</p> <p>14 A Yes.</p> <p>15 Q SciQuest still offering catalog content for</p> <p>16 that?</p> <p>17 A Yes.</p> <p>18 Q As a result of that bid for the Cleveland</p> <p>19 Clinic, did you undertake any additional research</p> <p>20 with respect to any product offerings of ePlus at</p> <p>21 the time or thereafter?</p> <p>22 A No.</p> |

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| <p>101</p> <p>1 Q So other than Mr. Weiss, who was the</p> <p>2 solution consultant -- and I'm sorry. What was the</p> <p>3 name of the account executive again?</p> <p>4 A Bob Pogyor.</p> <p>5 Q Did you speak to anybody else with respect</p> <p>6 to that Cleveland Clinic offering?</p> <p>7 A Not that I can recall.</p> <p>8 Q With respect to an SCM product that Lawson</p> <p>9 offers, Lawson generates revenues in a variety of</p> <p>10 ways associated with that product offering, correct?</p> <p>11 A Yes.</p> <p>12 Q For example, there's a licensing fee that's</p> <p>13 often associated with a new customer, correct?</p> <p>14 A Yes.</p> <p>15 Q And then there are maintenance fees that</p> <p>16 are associated with maintaining that software</p> <p>17 solution, correct?</p> <p>18 A Yes.</p> <p>19 Q And then there are also implementation fees</p> <p>20 associated with installing and getting the Supply</p> <p>21 Chain Management solution up and running, correct?</p> <p>22 A Yes.</p> | <p>103</p> <p>1 Chain Management -- product such as Supply Chain</p> <p>2 Management?</p> <p>3 A No.</p> <p>4 Q Now I'm confused. Can you help me out</p> <p>5 here?</p> <p>6 A I -- I was confused by -- you said</p> <p>7 installation and then service fees. So installation</p> <p>8 to me is service. So I was confused by you -- one</p> <p>9 after the other, so I was looking for clarification.</p> <p>10 Q Okay. Let's just focus on installation for</p> <p>11 now.</p> <p>12 A Okay.</p> <p>13 Q If -- if I'm a customer and I'm having a</p> <p>14 Supply Chain Management solution installed or</p> <p>15 implemented, it's your understanding that there's a</p> <p>16 revenue stream that is associated specifically for</p> <p>17 that service that can be attributable to, for</p> <p>18 example, the Supply Chain Management, if that's the</p> <p>19 product I'm getting?</p> <p>20 A Yes, if they choose Lawson consultants to</p> <p>21 do the work.</p> <p>22 Q Let's just focusing (sic) on Supply Chain</p> |
| <p>102</p> <p>1 Q And you're also familiar with the fact that</p> <p>2 there are servicing fees that are part of the</p> <p>3 revenues generated with respect to a Supply Chain</p> <p>4 Management product, correct?</p> <p>5 A I'm not sure I understand what you mean by</p> <p>6 the servicing fees.</p> <p>7 Q Well, you've seen financial reports,</p> <p>8 haven't you, that list breakout revenues associated</p> <p>9 with Supply Chain Management, correct?</p> <p>10 A Yes.</p> <p>11 Q And it hasn't been your experience that</p> <p>12 they're broken out as license fees, maintenance</p> <p>13 fees, and service fees -- servicing fees?</p> <p>14 A Yes, it has been my experience to see that.</p> <p>15 Q Okay. Were you having difficulty with my</p> <p>16 question because Lawson doesn't attribute specific</p> <p>17 servicing revenue to a solution such as Supply Chain</p> <p>18 Management?</p> <p>19 A No. That wasn't --</p> <p>20 Q Okay. Is it your experience that Lawson</p> <p>21 does attribute specific license -- excuse me --</p> <p>22 servicing revenues for a product such as Supply</p> | <p>104</p> <p>1 Management licensing for now. You just indicated in</p> <p>2 your last answer that there's a revenue associated</p> <p>3 with the installation of that product if they choose</p> <p>4 Lawson. Can you tell me in your experience what</p> <p>5 percentage of Lawson customers who were implementing</p> <p>6 a supply chain management solution select Lawson to</p> <p>7 do -- conduct that implementation or installation?</p> <p>8 A I don't know that percentage.</p> <p>9 Q Is it more often than not?</p> <p>10 A Yes.</p> <p>11 Q More than 75 percent of the time?</p> <p>12 A I would -- don't know.</p> <p>13 Q Do you know if the company maintains</p> <p>14 information as to what percentage of the SCM</p> <p>15 products that are implemented that it actually</p> <p>16 conducts that implementation?</p> <p>17 A I'm not certain if we have that breakdown.</p> <p>18 Q As part of the S3 suite of products, Lawson</p> <p>19 offers a number of software solutions, correct?</p> <p>20 Fair to say?</p> <p>21 A Yes.</p> <p>22 Q You're familiar with the human resource</p> |

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| <p>105</p> <p>1 product line?</p> <p>2 A Yes.</p> <p>3 Q And there's a financial management product</p> <p>4 line?</p> <p>5 A Yes.</p> <p>6 Q And then there's this Supply Chain</p> <p>7 Management product line we've been discussing,</p> <p>8 correct?</p> <p>9 A Yes.</p> <p>10 Q Okay. Companies have the capability simply</p> <p>11 to license the S3 Supply Chain Management product</p> <p>12 line and not any of the others; isn't that right?</p> <p>13 A Yes.</p> <p>14 Q In your experience, has that occurred?</p> <p>15 A Yes.</p> <p>16 Q Okay. And so if I wanted to determine, for</p> <p>17 example, a specific customer as to -- well, strike</p> <p>18 that. Let me start over.</p> <p>19 If I was a prospective customer and I was</p> <p>20 going to get an S3 solution and I wanted to get the</p> <p>21 human resource product, the financial management</p> <p>22 product, and the Supply Chain Management product, as</p> | <p>107</p> <p>1 Management product line as part of the overall S3</p> <p>2 suite, correct?</p> <p>3 A Yes.</p> <p>4 Q Okay. So if I were to focus on a specific</p> <p>5 customer that's done that, that would be a very</p> <p>6 helpful way to determine the pricing involved in</p> <p>7 Supply Chain Management since it's the only product</p> <p>8 being offered; fair to say?</p> <p>9 A Yes.</p> <p>10 Q Part of your duties and responsibilities</p> <p>11 you mentioned earlier was to support sales and</p> <p>12 marketing by providing product info -- information.</p> <p>13 Do you recall that?</p> <p>14 A Yes.</p> <p>15 Q Do you provide product information with</p> <p>16 respect to marketing brochures?</p> <p>17 A Yes.</p> <p>18 Q And we mentioned those white papers. I</p> <p>19 apologize. I forget your testimony. Did you</p> <p>20 indicate that you also provided product information</p> <p>21 with respect to the content in white papers?</p> <p>22 A Yes.</p> |
| <p>106</p> <p>1 part of my license fee, would I be able to determine</p> <p>2 how much revenue was associated with the financial</p> <p>3 management product, how much for the human resource</p> <p>4 product, and how much for the Supply Chain</p> <p>5 Management product?</p> <p>6 A Yes.</p> <p>7 Q Okay. And to break that down further, if I</p> <p>8 wanted to determine how much I was paying for each</p> <p>9 application within that product line, would I be</p> <p>10 able to obtain the information with respect to that?</p> <p>11 A Yes.</p> <p>12 Q Okay. How about at the module level, would</p> <p>13 I be able to obtain the information as to the</p> <p>14 specific cost of a module within those applications?</p> <p>15 A No.</p> <p>16 Q And that's the basis upon which you</p> <p>17 distinguish modules and applications as far as the</p> <p>18 sales offerings; is that right?</p> <p>19 A Yes.</p> <p>20 Q Okay. I thought I understood you to say</p> <p>21 that there are -- you're aware of some instances</p> <p>22 where someone has purchased simply the Supply Chain</p> | <p>108</p> <p>1 Q The web site, you also provide product</p> <p>2 information with respect to the Supply Chain</p> <p>3 Management product for the content of the web site?</p> <p>4 A Yes.</p> <p>5 Q What other types of sales or marketing</p> <p>6 tools do you provide product information for besides</p> <p>7 the web site, the white papers, and customer</p> <p>8 brochures?</p> <p>9 A Product presentations.</p> <p>10 Q Are the product presentations for external</p> <p>11 audiences?</p> <p>12 A Yes.</p> <p>13 Q Potential customers or existing customers</p> <p>14 in which you're trying to expand the product base?</p> <p>15 A Yes.</p> <p>16 Q How about internally, do you ever provide</p> <p>17 information to Lawson employees as to the features</p> <p>18 and functionality of the Supply Chain Management</p> <p>19 product?</p> <p>20 A Yes.</p> <p>21 Q What kind of occasions would you have to do</p> <p>22 that?</p> |

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| <p>109</p> <p>1 A Field enablements.</p> <p>2 Q Any others?</p> <p>3 A Just general questions from the sales team</p> <p>4 field.</p> <p>5 Q Are you aware that for information content</p> <p>6 that's provided to external audiences, such as</p> <p>7 customers or people interested in the web site, that</p> <p>8 that content is reviewed by the Lawson legal</p> <p>9 department for accuracy?</p> <p>10 MS. HUGHEY: Objection, foundation.</p> <p>11 THE WITNESS: Yes.</p> <p>12 BY MR. ROBERTSON:</p> <p>13 Q When you provide information with respect</p> <p>14 to sales or marketing materials for content in</p> <p>15 either brochures or web sites or what, web papers,</p> <p>16 do you try to be as accurate as possible in that</p> <p>17 information?</p> <p>18 MS. HUGHEY: Objection, vague.</p> <p>19 THE WITNESS: Yes.</p> <p>20 BY MR. ROBERTSON:</p> <p>21 Q It's not your intent to mislead any</p> <p>22 potential consumers of the products as to their</p> | <p>111</p> <p>1 Q At a high level, can you tell me what your</p> <p>2 understanding is between the Supply Chain Management</p> <p>3 product that Lawson offers for M3 versus S3?</p> <p>4 A S3 is focused on service-based industries.</p> <p>5 M3 is more focused on manufacturing-based</p> <p>6 industries.</p> <p>7 Q Okay. But in its practical application for</p> <p>8 services versus manufacturing industry, what</p> <p>9 significance does that have for the product</p> <p>10 offering?</p> <p>11 A The M -- for manufacturing, more of the</p> <p>12 purchases on the M3 side are driven by manufacturing</p> <p>13 product plans. So that impacts the way the</p> <p>14 applications work.</p> <p>15 Q I don't think I asked you this, sir, but</p> <p>16 can you just briefly, starting after high school,</p> <p>17 tell me what your educational background is?</p> <p>18 A Got a B.A. at Stanford University in</p> <p>19 international relations and got a master's of</p> <p>20 business administration at Berkeley.</p> <p>21 Q What year did you graduate from Stanford?</p> <p>22 A 1991.</p> |
| <p>110</p> <p>1 capabilities, correct?</p> <p>2 A That's correct.</p> <p>3 Q I think you mentioned that during the</p> <p>4 calendar year 2007 you had some involvement with the</p> <p>5 M3 product. Do you recall that testimony?</p> <p>6 A Yes.</p> <p>7 Q Can you refresh me specifically as to what</p> <p>8 that involvement was during that calendar year?</p> <p>9 A Involved with business case for M3</p> <p>10 mobility.</p> <p>11 Q Do you know, to your knowledge, is the M3</p> <p>12 product being offered now in the United States?</p> <p>13 A Yes.</p> <p>14 Q Okay. Just taking fiscal year 2009, which</p> <p>15 I understand ended May 31 of this year, looking</p> <p>16 first just at the entire S3 versus M3 market in the</p> <p>17 United States, can you tell me what percentage that</p> <p>18 breakdown is?</p> <p>19 A I don't know the breakdown of that.</p> <p>20 Q Is Lawson offering for sale in the United</p> <p>21 States a Supply Chain Management M3 product?</p> <p>22 A I believe so.</p> | <p>112</p> <p>1 Q And when did you receive your M.B.A. from</p> <p>2 Berkeley?</p> <p>3 A 1996.</p> <p>4 Q Any other postgraduate education other than</p> <p>5 that?</p> <p>6 A No.</p> <p>7 Q And what was your first job after you</p> <p>8 received your M.B.A. in 1996?</p> <p>9 A I worked at PeopleSoft.</p> <p>10 Q Did that involve Supply Chain Management?</p> <p>11 A No.</p> <p>12 Q What -- what -- PeopleSoft is a software</p> <p>13 company, correct?</p> <p>14 A Yes.</p> <p>15 Q It's now been acquired by Oracle, hasn't</p> <p>16 it?</p> <p>17 A Yes.</p> <p>18 Q Did you ever work at Oracle?</p> <p>19 A Yes.</p> <p>20 Q So you were working at PeopleSoft when it</p> <p>21 was acquired by Oracle?</p> <p>22 A No.</p> |

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| <p>113</p> <p>1 Q What type of software were you involved</p> <p>2 with when you were at PeopleSoft?</p> <p>3 A Financials.</p> <p>4 Q Okay. And when were you employed at</p> <p>5 Oracle?</p> <p>6 A 1992 to 1994.</p> <p>7 Q So that was after undergraduate school but</p> <p>8 before graduate school?</p> <p>9 A Yes.</p> <p>10 Q Okay. What type of software did you work</p> <p>11 on when you were at Oracle?</p> <p>12 A I didn't. I didn't work on software.</p> <p>13 Q Okay. What was your job responsibilities?</p> <p>14 A I -- I was in the corporate finance area.</p> <p>15 MR. ROBERTSON: Why don't we take a short</p> <p>16 break so I can get some documents organized, and</p> <p>17 that would -- I'd rather do it off the record so I</p> <p>18 don't waste everybody's time.</p> <p>19 THE VIDEOGRAPHER: Going off the record.</p> <p>20 The time is 12:04 p.m.</p> <p>21 (Recess.)</p> <p>22 THE VIDEOGRAPHER: Back on the record. The</p> | <p>115</p> <p>1 Q Have you seen any recent report from</p> <p>2 Gartner that describes the Lawson Software</p> <p>3 procurement applications?</p> <p>4 A Yes.</p> <p>5 Q How recent?</p> <p>6 A I've seen a draft of a new report they're</p> <p>7 working on, so within the past month.</p> <p>8 Q Did they submit it to you for consideration</p> <p>9 to see whether or not the submission was accurate?</p> <p>10 A Yes.</p> <p>11 Q Have you had an opportunity to review it?</p> <p>12 A Yes.</p> <p>13 Q Did you make any comments on it?</p> <p>14 A Yes, I did.</p> <p>15 Q Did you return it to Gartner with comments?</p> <p>16 A I believe so, yes.</p> <p>17 Q Do you have any idea or indication when it</p> <p>18 might be published?</p> <p>19 A I'm not -- not certain when it's going to</p> <p>20 be published.</p> <p>21 Q The comments that you made, did you make</p> <p>22 them by hand or electronically?</p> |
| <p>114</p> <p>1 time is 12:14 p.m.</p> <p>2 (Lohkamp Deposition Exhibit 1 was</p> <p>3 marked for identification and was attached to the</p> <p>4 deposition transcript.)</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Mr. Lohkamp, let me show you what I've</p> <p>7 marked as Lohkamp Exhibit 1. Ask you to take a</p> <p>8 moment to peruse that while I identify it for the</p> <p>9 record. It appears to be a product report dated</p> <p>10 August 16, 2002 published by Gartner</p> <p>11 entitled "Lawson Software Procurement Applications,"</p> <p>12 bearing the Bates label LE 00163689 through '703.</p> <p>13 Let me know when you're done reviewing it.</p> <p>14 My first question to you, sir, is going to</p> <p>15 be, have you ever seen this document before?</p> <p>16 A No.</p> <p>17 Q I understand it's dated 2002, and so it</p> <p>18 predates your employment with Lawson, but you are</p> <p>19 aware that Gartner from time to time provides</p> <p>20 information as to competitive offerings in the</p> <p>21 Supply Chain Management sphere, correct?</p> <p>22 A Yes.</p> | <p>116</p> <p>1 A Electronically.</p> <p>2 Q Okay. Did you retain a copy of the</p> <p>3 electronic comments you had with respect to this</p> <p>4 recent draft Gartner report?</p> <p>5 A I'm not certain if I did.</p> <p>6 MR. ROBERTSON: Okay. Counsel, we'd ask if</p> <p>7 you could determine whether or not such a marked-up</p> <p>8 copy of this draft Gartner report exists, and, if</p> <p>9 so, if you could produce it, please.</p> <p>10 BY MR. ROBERTSON:</p> <p>11 Q When you reviewed this draft Gartner</p> <p>12 report, did it appear to be accurate to you?</p> <p>13 A With the exception of the comments.</p> <p>14 Q Did you have substantial comments on the</p> <p>15 draft?</p> <p>16 A No.</p> <p>17 Q But the comments that you did make, you</p> <p>18 made in an effort to make it more accurate rather</p> <p>19 than less accurate, correct?</p> <p>20 A Yes.</p> <p>21 Q Okay. Well, let's, if we could, take a</p> <p>22 look at Lohkamp Exhibit 1. What I want to ask you</p> |

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| <p>117</p> <p>1 about is some of the information that they provide</p> <p>2 with respect to the product in 2002, whether or not</p> <p>3 that still pertains to the product offering in 2009,</p> <p>4 okay?</p> <p>5 A Okay.</p> <p>6 Q If you'd turn to the second page of the</p> <p>7 document, it has a heading for "Overview," and it</p> <p>8 says there, Lawson's Procurement suite is one</p> <p>9 element of the company's broader enterprise</p> <p>10 application set, which includes Supply Chain</p> <p>11 Management, Financials, Human Resources,</p> <p>12 Distribution, Professional Services Administration,</p> <p>13 Services Automation, Enterprise Performance</p> <p>14 Management, and Customer Relationship Management.</p> <p>15 Do you see that?</p> <p>16 A Yes.</p> <p>17 Q Is that still an accurate statement?</p> <p>18 A No.</p> <p>19 Q What's not accurate about it?</p> <p>20 A The branding and CRM.</p> <p>21 Q Okay. So the branding of some of these</p> <p>22 enterprise resource planning applications has</p> | <p>119</p> <p>1 Item Master.</p> <p>2 Q And the individuals can't customize those</p> <p>3 catalogs?</p> <p>4 A The individual can customize a view of the</p> <p>5 Item Master.</p> <p>6 Q It says, "Catalogs can be established for</p> <p>7 specific days of the week and by item</p> <p>8 classification, vendor or other criteria." Does the</p> <p>9 Lawson Procurement application still have that</p> <p>10 capability?</p> <p>11 A Yes, as templates.</p> <p>12 Q Okay. The very next sentence therefore</p> <p>13 says, "The catalogs serve as ordering templates</p> <p>14 listing regularly ordered products, quantities and</p> <p>15 stock numbers." Do you see that?</p> <p>16 A Yes.</p> <p>17 Q And the Lawson Procurement application</p> <p>18 still has that capability, correct?</p> <p>19 A It has the ordering template capabilities,</p> <p>20 yes.</p> <p>21 Q That can list regularly ordered products,</p> <p>22 quantities, and stock numbers, right?</p> |
| <p>118</p> <p>1 changed; is that right?</p> <p>2 A Yes.</p> <p>3 Q And by branding you mean simply the name</p> <p>4 under which it's offered or marketed?</p> <p>5 A The name and how it's packaged.</p> <p>6 Q Okay. And Lawson's no longer offering a</p> <p>7 customer relationship management application?</p> <p>8 A Not for the S3 suite.</p> <p>9 Q Okay. Why don't you turn to the next page,</p> <p>10 "Table 1, Features and Functions: Lawson</p> <p>11 Procurement." Do you see that? There's a heading</p> <p>12 called "Custom Catalogs." Do you see that?</p> <p>13 A Yes.</p> <p>14 Q It indicates here that the Lawson</p> <p>15 procurement application "Allows individual</p> <p>16 departments and users to establish custom catalogs."</p> <p>17 Do you see that?</p> <p>18 A Yes.</p> <p>19 Q Is that an accurate statement today?</p> <p>20 A I'd say no.</p> <p>21 Q Why not?</p> <p>22 A Because we provide one catalog. It's our</p> | <p>120</p> <p>1 A Yes.</p> <p>2 Q Sir, if you'd go to the page that ends with</p> <p>3 Bates label '693? By that I mean the number at the</p> <p>4 lower right-hand corner.</p> <p>5 A Okay.</p> <p>6 Q Again, this is a continuation of Table 1,</p> <p>7 "Features and Functions: Lawson Procurement</p> <p>8 Specifications." There's a heading for "Inventory</p> <p>9 Control." Do you see that?</p> <p>10 A Yes.</p> <p>11 Q The first sentence in that box indicates</p> <p>12 that the Lawson Procurement application can manage</p> <p>13 inventory and updates receipts from purchases or</p> <p>14 transfers from other inventories, returns, or</p> <p>15 transfers. Do you see that?</p> <p>16 A Yes.</p> <p>17 Q Is that still an accurate statement of the</p> <p>18 Lawson Procurement application capability in 2009?</p> <p>19 A Yes.</p> <p>20 Q The last sentence in that box under</p> <p>21 "Inventory Control," sir, states, "Requisitions and</p> <p>22 receipts from remote locations can be entered via</p> |

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| <p>121</p> <p>1 Web for those outside an established system</p> <p>2 network."</p> <p>3 Do you see that?</p> <p>4 A Yes.</p> <p>5 Q Did I read that accurately?</p> <p>6 A Yes.</p> <p>7 Q And that's still true of the capability of</p> <p>8 the Lawson Procurement application, correct?</p> <p>9 A Yes.</p> <p>10 Q You see the heading for "Inventory</p> <p>11 Replenishment," sir?</p> <p>12 A Yes.</p> <p>13 Q The box next to that it says that the</p> <p>14 Lawson application -- excuse me -- Procurement</p> <p>15 application has the capability of calculating</p> <p>16 reorder information to adjust electronic ordering</p> <p>17 and quoting. The system generates orders for</p> <p>18 replenishing shelf stock. Do you see that?</p> <p>19 A Yes.</p> <p>20 Q Is that still an accurate statement of the</p> <p>21 Lawson Procurement application in 2009?</p> <p>22 A Yes.</p> | <p>123</p> <p>1 Q That's still an accurate statement of the</p> <p>2 capability of the Lawson Procurement application in</p> <p>3 2009, correct?</p> <p>4 A Yes.</p> <p>5 Q The next sentence states that the Lawson</p> <p>6 Procurement application has the capability to</p> <p>7 automatically send the request to the supplier for</p> <p>8 fulfillment. Do you see that?</p> <p>9 A Yes.</p> <p>10 Q Still an accurate statement of the</p> <p>11 capability of the Lawson Procurement application in</p> <p>12 2009, correct?</p> <p>13 A Yes.</p> <p>14 Q Are you familiar with the fact that after</p> <p>15 the acquisition of Intentia in 2006, Lawson</p> <p>16 rebranded its eProcurement application to be called</p> <p>17 Procurement Punchout?</p> <p>18 MS. HUGHEY: Objection, foundation.</p> <p>19 THE WITNESS: Yes.</p> <p>20 BY MR. ROBERTSON:</p> <p>21 Q I mean, that's an accurate statement,</p> <p>22 right?</p> |
| <p>122</p> <p>1 Q Under the "eProcurement" heading -- are you</p> <p>2 with me?</p> <p>3 A Yes.</p> <p>4 Q -- there's a first sentence in the box</p> <p>5 there that says the Lawson Procurement application</p> <p>6 has the capability of offering automated</p> <p>7 requisitioning, approval, receiving, reconciliation,</p> <p>8 invoice payment, and posting to a GL.</p> <p>9 Are you with me?</p> <p>10 A Yes.</p> <p>11 Q That's still an accurate statement of the</p> <p>12 Lawson Procurement application capability in 2009,</p> <p>13 correct?</p> <p>14 A Yes.</p> <p>15 Q What does GL stand for there, sir?</p> <p>16 A General ledger.</p> <p>17 Q The third sentence in that box, sir,</p> <p>18 states, "Users can create an online requisition for</p> <p>19 a product containing stock and nonstock items or</p> <p>20 combined items from multiple vendors." Do you see</p> <p>21 that?</p> <p>22 A Yes.</p> | <p>124</p> <p>1 A Yes, that we rebranded the application.</p> <p>2 Q It was a rebranding. It wasn't a major</p> <p>3 overhaul of the functionality of that application,</p> <p>4 correct?</p> <p>5 A No, it wasn't.</p> <p>6 Q Did you add some additional functionality</p> <p>7 when you rebranded from eProcurement application to</p> <p>8 Procurement Punchout?</p> <p>9 A I don't recall if we did it at that time.</p> <p>10 Q Okay. At some later time there were</p> <p>11 additional features and functionalities that were</p> <p>12 offered as part of the Procurement Punchout</p> <p>13 application?</p> <p>14 A Yes.</p> <p>15 Q Tell me approximately when -- or strike</p> <p>16 that.</p> <p>17 What specifically do you have in mind when</p> <p>18 you say that there was some additional features and</p> <p>19 functionality added at a later time after the</p> <p>20 rebrand?</p> <p>21 A We added the ability to punch out to</p> <p>22 catalogs that -- that contained information from</p> |

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| <p>125</p> <p>1 multiple vendors.</p> <p>2 Q Let me stop you there and ask you,</p> <p>3 approximately when did that capability be added to</p> <p>4 the Procurement Punchout application?</p> <p>5 A That was approximately the end of 2007,</p> <p>6 early 2008.</p> <p>7 Q Okay. You had something else in mind. Any</p> <p>8 other features or functionality you recall being</p> <p>9 added?</p> <p>10 A Mapping fields back from a punchout</p> <p>11 session, so additional fields that -- mostly</p> <p>12 user-defined fields.</p> <p>13 Q User-defined fields are boxes in which you</p> <p>14 can enter information or -- or strike that.</p> <p>15 What do you mean when you say mapping</p> <p>16 fields, sir?</p> <p>17 A A Lawson requisition has additional fields</p> <p>18 on it, requisition line, and so if someone wanted to</p> <p>19 punch -- punchout session return values to populate</p> <p>20 those fields, we provided a way to map that max</p> <p>21 amount.</p> <p>22 Q Any other additional features or</p> | <p>127</p> <p>1 lose any functionality that was available under the</p> <p>2 brand eProcurement, correct?</p> <p>3 A Correct.</p> <p>4 Q Back to this eProcurement box, there was</p> <p>5 a -- there's a -- right under the sentence I last</p> <p>6 read there's a sentence that states as follows, "A</p> <p>7 Punchout feature lets users shop on vendor-managed</p> <p>8 Web sites via secure connectivity between Lawson's</p> <p>9 Requisitions Self-Service application and the</p> <p>10 systems of the trading partners and digital</p> <p>11 marketplaces."</p> <p>12 Did I read that correctly?</p> <p>13 A Yes.</p> <p>14 Q And the Lawson Procurement application in</p> <p>15 2009 still has that capability, correct?</p> <p>16 A Yes.</p> <p>17 Q The box underneath that says,</p> <p>18 "Catalog/Content Import." Are you with me?</p> <p>19 A Yes.</p> <p>20 Q In this report here listing the features</p> <p>21 and function of Lawson Procurement, it states that</p> <p>22 it "Allows users to import external content and</p> |
| <p>126</p> <p>1 functionalities that you recall as you are sitting</p> <p>2 here today that were added to the Procurement</p> <p>3 Punchout after the rebrand?</p> <p>4 A We replaced webMethods with Lawson -- with</p> <p>5 Lawson developed functionality.</p> <p>6 Q What is webMethods?</p> <p>7 A webMethods is a third-party product that</p> <p>8 managed the XML message.</p> <p>9 Q The XML is the extended (sic) markup</p> <p>10 language that is the format that's used to</p> <p>11 communicate back and forth with the vendor?</p> <p>12 A Yes.</p> <p>13 Q And you replaced this third-party</p> <p>14 webMethods' functionality with an in-house developed</p> <p>15 Lawson functionality for that XML message?</p> <p>16 A Yes.</p> <p>17 Q Okay. Anything else, sir, you recall?</p> <p>18 A That's what -- those are the ones that come</p> <p>19 to mind.</p> <p>20 Q Be fair to say though that in moving to</p> <p>21 this additional functionality for the product that</p> <p>22 was rebranded as Procurement Punchout, you didn't</p> | <p>128</p> <p>1 automates the process of maintaining vendor items</p> <p>2 and pricing agreements." Did I read that correctly?</p> <p>3 A Yes.</p> <p>4 Q And the Lawson Procurement application in</p> <p>5 2009 still has that capability, correct?</p> <p>6 A Yes.</p> <p>7 Q If you'll turn to the next page, sir, that</p> <p>8 ends in the Bates label '694. There's a box for</p> <p>9 Requisitions Self-Service. Do you see that?</p> <p>10 A Yes.</p> <p>11 Q I've often seen the acronym RSS used by the</p> <p>12 company for this. Is that correct?</p> <p>13 A Yes.</p> <p>14 Q And Requisitions Self-Service is an</p> <p>15 application you mentioned earlier, correct?</p> <p>16 A Yes.</p> <p>17 Q And as I understand it, at a high level,</p> <p>18 the Requisitions Self-Service lets the user</p> <p>19 distribute widely, for example within its company,</p> <p>20 to a number of potential buyers the ability to make</p> <p>21 requisitions, for example, at their desktop or</p> <p>22 laptop in their office, correct?</p> |

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| <p>129</p> <p>1 A Yes.</p> <p>2 Q Is that how it differs from the</p> <p>3 requisitions module that we talked before? It's</p> <p>4 more of a widespread application that can be</p> <p>5 utilized by multiple users as opposed to</p> <p>6 requisitions in which one person's authorized -- the</p> <p>7 requisitions department is authorized to make</p> <p>8 purchases?</p> <p>9 A Yes.</p> <p>10 Q Under that box, sir, it says the</p> <p>11 Requisitions Self-Service application of the Lawson</p> <p>12 Procurement application "Automates the process of</p> <p>13 making internal requests for supplies and services,</p> <p>14 such as maintenance, repairs, and operating</p> <p>15 supplies."</p> <p>16 Do you see that?</p> <p>17 A Yes.</p> <p>18 Q Still an accurate statement as to the</p> <p>19 capability of the product today?</p> <p>20 A Yes.</p> <p>21 Q And the Requisitions Self-Service</p> <p>22 application also "Enables users to generate POs,"</p> | <p>131</p> <p>1 BY MR. ROBERTSON:</p> <p>2 Q Well let me rephrase the question. Do you</p> <p>3 think the punchout capabilities are important to the</p> <p>4 overall Lawson Procurement application?</p> <p>5 MS. HUGHEY: Same objection.</p> <p>6 THE WITNESS: Yes.</p> <p>7 MR. ROBERTSON: You know what, it's 12:33,,</p> <p>8 so why don't we take our lunch break because I</p> <p>9 probably have a little bit more to go with this</p> <p>10 document.</p> <p>11 THE VIDEOGRAPHER: Going off the record.</p> <p>12 The time is 12:33 p.m.</p> <p>13 (Whereupon, at 12:33 p.m., the</p> <p>14 above-entitled matter was recessed until 1:36 p.m.,</p> <p>15 at which time Mr. Schultz joined the deposition.)</p> <p>16 THE VIDEOGRAPHER: Back on the record. The</p> <p>17 time is 1:36 p.m.</p> <p>18 CONTINUED EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Mr. Lohkamp, prior to the lunch break we</p> <p>21 were talking about Exhibit 1, which is this Gartner</p> <p>22 report from 2002. Could you turn to the page that</p> |
| <p>130</p> <p>1 purchase orders, "for stock, nonstock, special order</p> <p>2 items and services via one requisition." Still an</p> <p>3 accurate statement today?</p> <p>4 A Yes.</p> <p>5 Q If you'll turn to the page that ends with</p> <p>6 the Bates label '697, and there's an analysis at the</p> <p>7 bottom of the table we've been referring to for the</p> <p>8 features and functionality of the Lawson product.</p> <p>9 Do you see that?</p> <p>10 A Yes.</p> <p>11 Q Gartner here states that, "Lawson adds</p> <p>12 considerable internet-based processing, including an</p> <p>13 e-Procurement application with important punchout</p> <p>14 capabilities." Do you see that?</p> <p>15 A Yes.</p> <p>16 Q Is that a fair analysis, you think, on the</p> <p>17 part of Gartner, that the punchout capabilities are</p> <p>18 important to the eProcurement application?</p> <p>19 MS. HUGHEY: Objection, vague.</p> <p>20 THE WITNESS: And so for clarification we</p> <p>21 say eProcurement, we're talking about Procurement</p> <p>22 Punchout?</p> | <p>132</p> <p>1 ends '698, please, sir. Towards the bottom of the</p> <p>2 page there's a heading called "Catalog/Content</p> <p>3 Management."</p> <p>4 Do you see that?</p> <p>5 A Yes.</p> <p>6 Q It states there, "On top of its EDI</p> <p>7 connectivity layer, Lawson has added, with release</p> <p>8 of 8.0.3, a catalog/content import tool that gives</p> <p>9 users the opportunity to create and pull in catalog</p> <p>10 items (such as vendor, items, price agreements,</p> <p>11 contracts, etc) in order to populate the item</p> <p>12 master."</p> <p>13 Did I read that correctly?</p> <p>14 A Yes.</p> <p>15 Q Okay. Leaving aside the release version of</p> <p>16 8.0.3, which is undoubtedly out of date given the</p> <p>17 date of this document, does the Lawson procurement</p> <p>18 application still have the ability to permit users</p> <p>19 to create and pull and catalog items such as vendor</p> <p>20 items, price agreements, contracts, et cetera, in</p> <p>21 order to populate the Item Master?</p> <p>22 A Yes.</p> |

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| <p>133</p> <p>1 Q The next sentence, sir, goes on to state</p> <p>2 that, "As part of the catalog/content management</p> <p>3 import tool, Lawson has incorporated a filtering</p> <p>4 capability that gives users the opportunity to</p> <p>5 selectively choose, based on item category or</p> <p>6 UNSPSC (Universal Standard Products and Services</p> <p>7 Classification) code, items of interest and those</p> <p>8 that match the user-defined criteria."</p> <p>9 Do you see that?</p> <p>10 A Yes.</p> <p>11 Q The Lawson Procurement application of 2009</p> <p>12 still has that capability, correct?</p> <p>13 A Yes.</p> <p>14 Q Do you have familiarity with the UNSPSC</p> <p>15 classification code?</p> <p>16 A Yes.</p> <p>17 Q Do you know what it's used for in the</p> <p>18 Lawson Procurement application when it's utilized?</p> <p>19 A It's -- it's assigned to items and used as</p> <p>20 a way to navigate Requisitions Self-Service.</p> <p>21 Q Okay. It's -- it's I believe what? -- an</p> <p>22 eight-digit classification code that's assigned to a</p> | <p>135</p> <p>1 that?</p> <p>2 A Because we -- we didn't have success in</p> <p>3 offering it.</p> <p>4 Q Do you have any other party now who's</p> <p>5 assisting Lawson in providing the service of</p> <p>6 classification coding for vendor data, item data if</p> <p>7 they want it?</p> <p>8 A I'm not aware of another one.</p> <p>9 Q But the Procurement application as</p> <p>10 currently offered by Lawson has the capability of</p> <p>11 incorporating those classification codes, correct?</p> <p>12 A Yes.</p> <p>13 Q Okay. That's all I have with that</p> <p>14 document, sir.</p> <p>15 (Lohkamp Deposition Exhibit 2 was</p> <p>16 marked for identification and was attached to the</p> <p>17 deposition transcript.)</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q Let me show you what's been marked as</p> <p>20 Lohkamp Deposition Exhibit 2 and ask you to take a</p> <p>21 moment to look at that, if you will, sir. And while</p> <p>22 you do, I'll just, for the record, state that it's</p> |
| <p>134</p> <p>1 particular type of good?</p> <p>2 A I believe it's eight digits.</p> <p>3 Q Does Lawson provide a classification</p> <p>4 service for its users of the Procurement application</p> <p>5 if they want it?</p> <p>6 A No.</p> <p>7 Q How is it provided?</p> <p>8 A A service we provided through a partner.</p> <p>9 Q Okay. Who is that partner?</p> <p>10 A GHX.</p> <p>11 Q GHX provides it through the data management</p> <p>12 services program that Lawson offers?</p> <p>13 A Yes. That we did offer, yes.</p> <p>14 Q When did you stop? You stopped offering</p> <p>15 that?</p> <p>16 A Yes, we stopped offering that.</p> <p>17 Q And when was that?</p> <p>18 A Last year.</p> <p>19 Q Do you remember approximately when last</p> <p>20 year?</p> <p>21 A I don't know exactly when.</p> <p>22 Q Do you know why Lawson stopped offering</p> | <p>136</p> <p>1 entitled "Punchout Partner Program," bears the name</p> <p>2 of Keith Lohkamp, Product Management, has the Bates</p> <p>3 label LE 00017985 through '991.</p> <p>4 And let me know when you've finished</p> <p>5 perusing that, sir.</p> <p>6 A Okay, I'm done.</p> <p>7 Q This bears your name on the cover page.</p> <p>8 Did you author this document, sir?</p> <p>9 A Yes, I did.</p> <p>10 Q Do you remember the approximate time frame</p> <p>11 in which you did that?</p> <p>12 A I don't -- don't remember the exact --</p> <p>13 exact time frame of it.</p> <p>14 Q Within a year?</p> <p>15 A It'd be longer than a year.</p> <p>16 Q Okay. Do you know who the intended</p> <p>17 audience was of this document?</p> <p>18 A The intended audience was an internal</p> <p>19 audience.</p> <p>20 Q And why were you producing this Punchout</p> <p>21 Partner Program for internal audience?</p> <p>22 A To propose a new Punchout Partner Program.</p> |

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| <p>137</p> <p>1 Q Do you know whether the Punchout Partner</p> <p>2 Program was ever adopted?</p> <p>3 A Yes.</p> <p>4 Q Was it adopted along the lines that are</p> <p>5 overviewed in this document?</p> <p>6 A Similar.</p> <p>7 Q Okay. Well, why don't you turn to the</p> <p>8 first page that has content, which is the page that</p> <p>9 ends '986. It has "Program Overview" at the top?</p> <p>10 A Yes.</p> <p>11 Q And there are certain program</p> <p>12 characteristics identified there. Are you with me?</p> <p>13 A Yes.</p> <p>14 Q Okay. One of the characteristics was that</p> <p>15 it was intended to be a standard agreement. Do you</p> <p>16 see that?</p> <p>17 A Yes.</p> <p>18 Q As implemented, did the Punchout Partner</p> <p>19 Program have a standard agreement?</p> <p>20 A Yes.</p> <p>21 Q There also were going to be fees including</p> <p>22 an annual fee and an initial setup fee. Do you see</p> | <p>139</p> <p>1 A No, nothing else.</p> <p>2 Q We talked a little bit about this partner</p> <p>3 program in the morning session. Do you recall that?</p> <p>4 A Yes.</p> <p>5 Q And I asked you if there were any partners</p> <p>6 in the punchout program that doesn't have written</p> <p>7 agreements. Do you recall that? And you listed a</p> <p>8 whole number of them for me. OfficeMax and Staples</p> <p>9 comes to mind.</p> <p>10 A Yes.</p> <p>11 Q I don't know if I asked you this. Maybe I</p> <p>12 did, but I'm going to ask it again.</p> <p>13 A Okay.</p> <p>14 Q What percentage of the punchout partners</p> <p>15 have written agreements, best estimate?</p> <p>16 A I believe I said about 10 to 15 percent.</p> <p>17 Q Okay. With the punchout partners that do</p> <p>18 not have written agreements, what does Lawson do to</p> <p>19 ensure that the users of its Supply Chain Management</p> <p>20 tool have access to those vendors' items for sale?</p> <p>21 A We don't do anything proactively. Well, we</p> <p>22 provide a configuration, setup configuration within</p> |
| <p>138</p> <p>1 that?</p> <p>2 A Yes.</p> <p>3 Q As implemented, did the punchout program</p> <p>4 have such fees?</p> <p>5 A Yes.</p> <p>6 Q There's a line item there for limited</p> <p>7 partnership benefits. Do you see that?</p> <p>8 A Yes.</p> <p>9 Q What was intended by that?</p> <p>10 A That was intended to give them a subset of</p> <p>11 the normal partner benefits.</p> <p>12 Q And as implemented, did the Punchout</p> <p>13 Partner Program have limited partnership benefits?</p> <p>14 A Yes.</p> <p>15 Q Can you tell me in what way, just looking</p> <p>16 through the document quickly, the document's</p> <p>17 inaccurate with regard to how the actual Punchout</p> <p>18 Partner Program was implemented?</p> <p>19 A The development rate is different now.</p> <p>20 Q All right. What is it today? Do you know?</p> <p>21 A \$2,000 per day.</p> <p>22 Q Okay. Anything else, sir?</p> | <p>140</p> <p>1 our configuration file.</p> <p>2 Q That permits the user to access the web</p> <p>3 site which has goods being offered for sale by a</p> <p>4 punchout partner?</p> <p>5 A Yes, when they provide their own login</p> <p>6 credentials, specific setup.</p> <p>7 Q When you say they, who do you mean by they?</p> <p>8 A The -- the customer.</p> <p>9 Q Okay.</p> <p>10 A Our customer.</p> <p>11 Q Who gives them the ability to provide the</p> <p>12 login credentials? Is there something -- some</p> <p>13 functionality of -- of the Lawson Procurement</p> <p>14 application that permits them to do that?</p> <p>15 A I'm not sure I understand your question</p> <p>16 completely.</p> <p>17 Q Well, they need to know that they want to</p> <p>18 reach out and punchout to a web site such as a</p> <p>19 Staples or an OfficeMax that is going to permit them</p> <p>20 to look at items being offered for sale. Is there a</p> <p>21 specific software module that permits that</p> <p>22 connectivity from the Lawson Procurement application</p> |

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| <p>141</p> <p>1 to reach out and communicate with that punchout</p> <p>2 partner?</p> <p>3 A Yes.</p> <p>4 Q And what is it?</p> <p>5 A Procurement Punchout.</p> <p>6 Q And how does it do it?</p> <p>7 A It -- it does it through cXML messaging to</p> <p>8 connect externally to that vendor web site.</p> <p>9 Q Before we were looking at, I believe, a</p> <p>10 document that indicated -- strike that,</p> <p>11 I understood you earlier to indicate that</p> <p>12 Lawson had developed its own XML communication</p> <p>13 protocol; is that right?</p> <p>14 A No.</p> <p>15 Q I understood that you had employed</p> <p>16 webMethods for a period of time, and then I thought</p> <p>17 you indicated you had your own proprietary XML. Was</p> <p>18 I mistaken?</p> <p>19 A Yes, not -- not proprietary XML.</p> <p>20 Q Okay. What was it?</p> <p>21 A We had our own tools for enabling the cXML.</p> <p>22 Q And what -- what tools are they?</p> | <p>143</p> <p>1 Lohkamp Exhibit 3. Why don't you take a look at</p> <p>2 that. And while you're doing that, let me just</p> <p>3 identify it. It's entitled "Lawson Vendor Agreement</p> <p>4 Import Overview, Release 8.03," and it has the Bates</p> <p>5 label of L 0001888, and let me know when you've</p> <p>6 finished reviewing that, sir.</p> <p>7 And my first question is, have you seen</p> <p>8 this document before?</p> <p>9 A Yes, I believe I have.</p> <p>10 Q Do you know who authored it?</p> <p>11 A No, I do not.</p> <p>12 Q Okay. It says at the lower right-hand</p> <p>13 corner it is a fact sheet and it's dated March 29,</p> <p>14 2006. Do you see that?</p> <p>15 A Yes.</p> <p>16 Q Having perused it, could you tell me</p> <p>17 whether or not you think it's accurate as to its</p> <p>18 information content as of March of 2006?</p> <p>19 A Yes, I believe it is.</p> <p>20 Q You may recall when we were looking at I</p> <p>21 believe it was Lohkamp Exhibit 1, which was that</p> <p>22 Gartner report, at one point it had referenced an</p> |
| <p>142</p> <p>1 A Procurement Punchout and ProcessFlow</p> <p>2 Integrator.</p> <p>3 Q And those are software products that Lawson</p> <p>4 offers as part of its Procurement application?</p> <p>5 A Process -- ProcessFlow Integrator is a</p> <p>6 separate product. It's not part of procurement.</p> <p>7 Q What's it part of, what -- what product</p> <p>8 line?</p> <p>9 A It's part of our business process</p> <p>10 management.</p> <p>11 Q Can I obtain it with Supply Chain</p> <p>12 Management tool?</p> <p>13 A Yes.</p> <p>14 Q If I want to punchout to a partner,</p> <p>15 punchout partner like Staples or OfficeMax, do I</p> <p>16 need it?</p> <p>17 A Yes.</p> <p>18 (Lohkamp Deposition Exhibit 3 was</p> <p>19 marked for identification and was attached to the</p> <p>20 deposition transcript.)</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q Let me show you what's been marked as</p> | <p>144</p> <p>1 EDI connectivity layer which was release 8.0.3. Do</p> <p>2 you recall that?</p> <p>3 A Yes.</p> <p>4 Q Is this release the same 8.0.3 that was</p> <p>5 referenced in that Gartner report, if you know?</p> <p>6 A I believe so.</p> <p>7 Q Okay. Do you know what the current release</p> <p>8 is for this Vendor Agreement Import Overview?</p> <p>9 A Yes.</p> <p>10 Q What is it, sir?</p> <p>11 A 9.0.1.</p> <p>12 Q Okay. Have there -- were there several</p> <p>13 iterations between release 8.0.3 and 9.0.1?</p> <p>14 A Yes.</p> <p>15 Q Approximately how many?</p> <p>16 A Approximately two majors.</p> <p>17 Q Having reviewed Exhibit 3, I believe it is,</p> <p>18 can you tell me what functionality identified herein</p> <p>19 is not available in the 9.0.1 version, if anything?</p> <p>20 A None.</p> <p>21 Q Okay. So the 9.0.1 Vendor Agreement Import</p> <p>22 Process still allows customers to obtain a file from</p> |

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| <p>145</p> <p>1 a vendor with a vendor item -- excuse me -- vendor</p> <p>2 item, unit of measure, and unit price information,</p> <p>3 and load it into the Lawson application, determine</p> <p>4 which items to include on an agreement, and allow</p> <p>5 the system to create a Lawson item number if one</p> <p>6 does not currently exist, correct?</p> <p>7 A Yes.</p> <p>8 Q See the "Main Success Scenario" heading,</p> <p>9 sir?</p> <p>10 A Yes.</p> <p>11 Q It states there, in the second full</p> <p>12 sentence -- well, strike that.</p> <p>13 It's discussing an import process that can</p> <p>14 read a file that includes vendor item information,</p> <p>15 correct?</p> <p>16 A Yes.</p> <p>17 Q And it states, "This file can contain all</p> <p>18 items from a vendor's catalog or only specific items</p> <p>19 that are included in a negotiated contract with the</p> <p>20 customer or a group purchasing organization."</p> <p>21 Do you see that?</p> <p>22 A Yes.</p> | <p>147</p> <p>1 Q Have you seen documents of this type</p> <p>2 before, sir?</p> <p>3 A Yes.</p> <p>4 Q Have you seen this specific one, if you</p> <p>5 know?</p> <p>6 A Yes.</p> <p>7 Q Do you know who the author of this document</p> <p>8 was?</p> <p>9 A It's our documentation team.</p> <p>10 Q Did you have any role in the content that's</p> <p>11 contained in Exhibit 4?</p> <p>12 A Yes.</p> <p>13 Q What would that role have been, sir?</p> <p>14 A I reviewed some of the language in the</p> <p>15 intro, as they were writing it.</p> <p>16 Q And that would be at the page that ends</p> <p>17 '361?</p> <p>18 A Yes.</p> <p>19 Q It's dated February 2009 but it bears a</p> <p>20 copyright of 2008. Do you know if this is a</p> <p>21 document that goes through updates and iterations?</p> <p>22 A Yes.</p> |
| <p>146</p> <p>1 Q And that's still accurate of the capability</p> <p>2 of the 9.0.1 version that's in use today, correct?</p> <p>3 A Yes.</p> <p>4 Q Can the version used today still include</p> <p>5 vendor item numbers, UPC, SKU, UPN, manufacturing</p> <p>6 item numbers or NDC identifiers in the vendor input</p> <p>7 file record?</p> <p>8 A Yes.</p> <p>9 Q Okay. That's all I have with that</p> <p>10 document, sir.</p> <p>11 (Lohkamp Deposition Exhibit 4 was</p> <p>12 marked for identification and was attached to the</p> <p>13 deposition transcript.)</p> <p>14 BY MR. ROBERTSON:</p> <p>15 Q Let me show you what I've marked as Lohkamp</p> <p>16 Exhibit 4 and ask you to take a look at that, sir,</p> <p>17 and while you do that, let me identify it. It's</p> <p>18 entitled "Lawson Procurement Punchout Trading</p> <p>19 Partner List." It's dated February 2009, and it</p> <p>20 bears the Bates label of L 0046359 through '363.</p> <p>21 Just let me know when you're done perusing that.</p> <p>22 A I'm done.</p> | <p>148</p> <p>1 Q Okay. Just off the top of your head, do</p> <p>2 you know if there's any subsequent iterations after</p> <p>3 February of 2009 of this document?</p> <p>4 A Not that I know of.</p> <p>5 Q Okay. Just so I understand your answer,</p> <p>6 you're not you aware of any, but there may be, or do</p> <p>7 you understand --</p> <p>8 A Yeah, there's -- yeah, there's probably not</p> <p>9 a new published version of this.</p> <p>10 Q All right. So I just -- you know for a</p> <p>11 fact that this is the last version that has been</p> <p>12 generated for this document?</p> <p>13 A Yes.</p> <p>14 Q Do you know who the intended audience is</p> <p>15 for this document?</p> <p>16 A Our -- our customers.</p> <p>17 Q So it's for external customer use?</p> <p>18 A For external customer use.</p> <p>19 Q Okay. So the customers can understand who</p> <p>20 the punchout trading partners are that they can</p> <p>21 obtain information about items for sale from?</p> <p>22 Strike that. Let me rephrase this.</p> |

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| <p>149</p> <p>1 This is to inform your customers who are</p> <p>2 the available trading partners that they can</p> <p>3 communicate with through the Lawson Procurement</p> <p>4 application, correct?</p> <p>5 A Through Procurement Punchout.</p> <p>6 Q Starting at the page that has the Bates</p> <p>7 label '361 over onto '363, there is a list of the</p> <p>8 trading partners, correct?</p> <p>9 A Yes.</p> <p>10 Q Okay. Some of these you identified this</p> <p>11 morning as not having actual written agreements:</p> <p>12 OfficeMax, for example, Grainger I recall, Dell.</p> <p>13 Are any of these trading partners identified here,</p> <p>14 does Lawson have a written agreement with?</p> <p>15 A Yes.</p> <p>16 Q Can you just identify some of those for me?</p> <p>17 A GHX, SciQuest. Those are the two.</p> <p>18 Q Okay. How is a determination made as to</p> <p>19 whether or not Lawson requires a written agreement</p> <p>20 with a punchout partner as opposed to not requiring</p> <p>21 one?</p> <p>22 A It was based upon the timing of when the</p> | <p>151</p> <p>1 A It was determined by whether or not they</p> <p>2 had an agreement at the time the Punchout Partner</p> <p>3 Program was introduced.</p> <p>4 Q On the page that ends '361 above the</p> <p>5 beginning of the trading partner box, there's a</p> <p>6 paragraph that starts, "As specified below." Do you</p> <p>7 see that?</p> <p>8 A Yes.</p> <p>9 Q It states there, "As specified below,</p> <p>10 Lawson delivers generic Punchout transaction sets</p> <p>11 and cXML PO formats for the listed trading</p> <p>12 partners." Are you with me?</p> <p>13 A Yes.</p> <p>14 Q PO there stands for purchase order formats?</p> <p>15 A Yes.</p> <p>16 Q And cXML, is that extended markup language</p> <p>17 we were talking about earlier?</p> <p>18 A Yes.</p> <p>19 Q Okay. And Lawson provides those formats</p> <p>20 and transaction sets as part of its punchout</p> <p>21 application?</p> <p>22 A Yes.</p> |
| <p>150</p> <p>1 trading partner ended up on the list.</p> <p>2 Q Help me understand that. What was</p> <p>3 significant about the timing as to how they ended up</p> <p>4 on the list as determining whether a written</p> <p>5 agreement was necessary or not?</p> <p>6 A The Procurement Punchout Partner Program</p> <p>7 was only introduced recently, so anyone before that</p> <p>8 didn't have a written agreement.</p> <p>9 Q Do the punchout partners need to renew</p> <p>10 their agreement with you?</p> <p>11 A Yes.</p> <p>12 Q Okay. How often do the renewals occur?</p> <p>13 A Annual.</p> <p>14 Q All right. With someone who doesn't have a</p> <p>15 written punchout agreement, such as a Dell, who</p> <p>16 wants to continue being a punchout partner, would</p> <p>17 they need to enter into a written agreement for the</p> <p>18 next annual year?</p> <p>19 A No.</p> <p>20 Q Okay. They're grandfathered in?</p> <p>21 A Yes.</p> <p>22 Q How is that determined?</p> | <p>152</p> <p>1 Q Okay. That's all I have on that one, sir.</p> <p>2 (Lohkamp Deposition Exhibit 5 was</p> <p>3 marked for identification and was attached to the</p> <p>4 deposition transcript.)</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Let me show you what's been marked as</p> <p>7 Lohkamp Exhibit 5 and ask you to take a minute to</p> <p>8 look at that, and while you do it, let me identify</p> <p>9 it as Lawson EDI for Supply Chain Management Trading</p> <p>10 Partner List, Version 9.0.1, dated November 2008,</p> <p>11 and it has the Bates label of L 0046221 through</p> <p>12 '292. And let me know when you've finished perusing</p> <p>13 it.</p> <p>14 My preliminary question is, have you seen</p> <p>15 this document before, sir?</p> <p>16 A Yes, I have.</p> <p>17 Q Is it intended for an external audience</p> <p>18 like Exhibit 4 was?</p> <p>19 A Yes.</p> <p>20 Q Is it intended for customers that are going</p> <p>21 to use Lawson EDI for Supply Chain Management and</p> <p>22 the Procurement Punchout?</p> |

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| <p>153</p> <p>1 A I'm sorry. I didn't -- didn't quite</p> <p>2 understand the question.</p> <p>3 Q Sure. Let me rephrase it. We've been</p> <p>4 talking about Procurement Punchout and trading</p> <p>5 partners, correct?</p> <p>6 A Yes.</p> <p>7 Q Is this document intended for customers to</p> <p>8 understand that punchout process for trading</p> <p>9 partners?</p> <p>10 A No.</p> <p>11 Q Okay. It's a different process than the</p> <p>12 punchout, correct?</p> <p>13 A Yes.</p> <p>14 Q It's an EDI process, right?</p> <p>15 A Yes.</p> <p>16 Q Now EDI is electronic data interchange?</p> <p>17 A Yes.</p> <p>18 Q There is a Lawson EDI application that's</p> <p>19 offered for obtaining catalog content other than the</p> <p>20 punchout process, correct?</p> <p>21 A Yes.</p> <p>22 Q Okay. And is this document intended to</p> | <p>155</p> <p>1 Q That's all I have for that, sir.</p> <p>2 (Lohkamp Deposition Exhibit 6 was</p> <p>3 marked for identification and was attached to the</p> <p>4 deposition transcript.)</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Let me show you what's been marked as</p> <p>7 Lohkamp Exhibit 6. Would you take an opportunity to</p> <p>8 look at that, please. And while you do, let me</p> <p>9 identify it. It's a document entitled "Updating</p> <p>10 Item Information using the Catalog Import Process</p> <p>11 8.1 FactSheet" bearing the Bates label L 0001892</p> <p>12 through 1895.</p> <p>13 And my first question to you, sir, is, have</p> <p>14 you seen this document before?</p> <p>15 A I don't believe I have.</p> <p>16 Q Okay. Do you know what it's being --</p> <p>17 what's being discussed here, the subject matter of</p> <p>18 this document is?</p> <p>19 A Yes.</p> <p>20 Q Okay. You're familiar with the catalog</p> <p>21 import process for the Lawson Procurement</p> <p>22 application?</p> |
| <p>154</p> <p>1 explain who the trading partners are for that and</p> <p>2 provide information as to how to configure the EDI?</p> <p>3 A For the suppliers that provide EDI, yes.</p> <p>4 Q And this document identifies, for example,</p> <p>5 on the pages that begin with the Bates label that</p> <p>6 ends '224, I believe it's page 4 of 72 of the</p> <p>7 document, a number of those suppliers that provide</p> <p>8 or permit EDI access to their catalog data?</p> <p>9 A No.</p> <p>10 Q What's this list of trading partners here?</p> <p>11 A Well, it's -- it's a list of trading</p> <p>12 partners that provide -- that support some set of</p> <p>13 EDI transactions.</p> <p>14 Q So the Lawson EDI that's offered as part of</p> <p>15 its Procurement application has the ability to</p> <p>16 obtain item information from these particular</p> <p>17 vendors?</p> <p>18 A For vendors that support a catalog, price</p> <p>19 catalog. A price catalog.</p> <p>20 Q Is -- I think you mentioned this before.</p> <p>21 Was Neoforma acquired by GHX?</p> <p>22 A Yes.</p> | <p>156</p> <p>1 A Yes.</p> <p>2 Q Okay. And Lawson's Procurement application</p> <p>3 still has a catalog import process as it exists</p> <p>4 today in 2009?</p> <p>5 A Yes.</p> <p>6 Q Now, it mentions here in the introduction</p> <p>7 that Lawson and certain marketplaces such as GHX and</p> <p>8 Neoforma will offer integration and functionality</p> <p>9 between their technology bases to enhance the user</p> <p>10 experience.</p> <p>11 Do you see that?</p> <p>12 A Yes.</p> <p>13 Q It goes on to say, "Part of this</p> <p>14 integration is the import and updates of catalog</p> <p>15 information." Does the current offering of Lawson</p> <p>16 catalog import process permit the integration and</p> <p>17 import and updates of catalog information?</p> <p>18 A Yes.</p> <p>19 Q Now, I thought I understood you to say that</p> <p>20 Lawson's no longer partnering -- partnering with GHX</p> <p>21 to perform the importation and updating of catalog</p> <p>22 information; is that correct?</p> |

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| <p>157</p> <p>1 A No. So I -- for data management services.</p> <p>2 Q Oh, it's no longer partnering with GHX for</p> <p>3 data managing services?</p> <p>4 A Management services.</p> <p>5 Q Management services, okay. It is still</p> <p>6 partnering with GHX to import and update catalog</p> <p>7 information?</p> <p>8 A Yes.</p> <p>9 Q And is that just for the healthcare</p> <p>10 industry?</p> <p>11 A Yes.</p> <p>12 Q And that's just for the S3 product line,</p> <p>13 correct?</p> <p>14 A Yes.</p> <p>15 Q What is -- what was the partnership that</p> <p>16 Lawson had with GHX for the data management</p> <p>17 services? What product was being offered there?</p> <p>18 A The partnership was to resell their data</p> <p>19 management services.</p> <p>20 Q And Lawson was going to resell that?</p> <p>21 A Yes.</p> <p>22 Q And what specific data management services</p> | <p>159</p> <p>1 A Yes.</p> <p>2 (Lohkamp Deposition Exhibit 7 was</p> <p>3 marked for identification and was attached to the</p> <p>4 deposition transcript.)</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Let me show you what I've marked as Lohkamp</p> <p>7 Exhibit 7 and ask you to take a look at that for a</p> <p>8 moment, and while you do, let me identify it. It</p> <p>9 appears to be a news release from Lawson, dated</p> <p>10 February 26, 2007. It bears the Bates label of</p> <p>11 L 0065569 through '71. Mine has a blank page on the</p> <p>12 last page. I don't know if yours does -- with no</p> <p>13 Bates label.</p> <p>14 Okay, our copying error. And it's entitled</p> <p>15 "Lawson Software Partners with Global Healthcare</p> <p>16 Exchange to Help Healthcare Providers Reduce Supply</p> <p>17 Costs." Do you see that?</p> <p>18 A Yes.</p> <p>19 Q And there's a paragraph at the bottom that</p> <p>20 begins with the word "Specifically." Are you with</p> <p>21 me?</p> <p>22 A Yes.</p> |
| <p>158</p> <p>1 were being provided as part of that partnership by</p> <p>2 GHX?</p> <p>3 A GHX was providing Vendor Master cleansing</p> <p>4 and consolidation and Item Master cleansing and</p> <p>5 consolidation.</p> <p>6 Q And by cleansing, you're talking about item</p> <p>7 data?</p> <p>8 A Yes, cleansing item data.</p> <p>9 Q Okay. GHX is no longer offering that in</p> <p>10 partnership with Lawson; is that correct?</p> <p>11 A That's correct.</p> <p>12 Q Okay. Is Lawson offering the Vendor Master</p> <p>13 cleansing and consolidation and Item Master</p> <p>14 cleansing and consolidation?</p> <p>15 A No.</p> <p>16 Q Is anybody offering that on behalf of</p> <p>17 Lawson?</p> <p>18 A Not that I'm aware of, no.</p> <p>19 Q Okay. But the catalog import process still</p> <p>20 does permit the import and update of catalog</p> <p>21 information that's part of the Lawson Procurement</p> <p>22 application, correct?</p> | <p>160</p> <p>1 Q And then it references this Lawson data</p> <p>2 management services we've been talking about?</p> <p>3 A Yes.</p> <p>4 Q Okay. Those are the services that Lawson's</p> <p>5 no longer offering in partnership with GHX; is that</p> <p>6 right?</p> <p>7 A That's right.</p> <p>8 Q And you may have answered this, but when --</p> <p>9 when did you stop offering those services in</p> <p>10 partnership with GHX?</p> <p>11 A Would have been last year, 2008.</p> <p>12 Q I'm sorry. What?</p> <p>13 A In 2008.</p> <p>14 Q Do you have an approximate time? Quarter?</p> <p>15 A I don't have an exact date. Probably would</p> <p>16 have been -- yeah, I don't know exact quarter.</p> <p>17 Q Okay. All right. That's all I have on</p> <p>18 that doc -- document, sir.</p> <p>19 A Okay.</p> <p>20 (Lohkamp Deposition Exhibit 8 was</p> <p>21 marked for identification and was attached to the</p> <p>22 deposition transcript.)</p> |

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| <p>161</p> <p>1 BY MR. ROBERTSON:</p> <p>2 Q Let me show you what's been marked as</p> <p>3 Lohkamp Exhibit 8, if you would, sir. While you're</p> <p>4 doing that, let me identify it. It's entitled</p> <p>5 "Design Analysis Title: Vendor Catalog Load." It's</p> <p>6 dated April 26, 2001 and has a Bates label of LE</p> <p>7 00124594-4617.</p> <p>8 Let me know when you've had a chance to</p> <p>9 look it over.</p> <p>10 A Okay, I've had a chance.</p> <p>11 Q This document predates your employment with</p> <p>12 Lawson by several years, correct?</p> <p>13 A Yes.</p> <p>14 Q Okay. But it's generally discussing a</p> <p>15 vendor catalog load process as part of an electronic</p> <p>16 procurement system, correct?</p> <p>17 MS. HUGHEY: Objection, foundation.</p> <p>18 THE WITNESS: I -- I believe so.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Okay. Well, the Lawson electronic --</p> <p>21 strike that.</p> <p>22 The Lawson Procurement application has the</p> | <p>163</p> <p>1 A Yes.</p> <p>2 Q It goes on to say the data could be vendor</p> <p>3 catalog -- excuse me -- "data could be a vendor</p> <p>4 catalog, which contains information about all the</p> <p>5 items that a vendor carries, or it could be items</p> <p>6 that are included in a specially negotiated contract</p> <p>7 between a vendor and a single client or group</p> <p>8 purchasing organization."</p> <p>9 Are you with me?</p> <p>10 A Yes.</p> <p>11 Q Okay. That's still a requirement of the</p> <p>12 current version of the Lawson Procurement</p> <p>13 application, correct?</p> <p>14 A Yes.</p> <p>15 Q And you've mentioned several times here</p> <p>16 today this Item Master that's available in the</p> <p>17 Lawson application, correct?</p> <p>18 A Yes.</p> <p>19 Q And that's where the information is loaded</p> <p>20 from the catalog content in order to be available to</p> <p>21 a user, right?</p> <p>22 A Yes.</p> |
| <p>162</p> <p>1 capability of doing a vendor catalog load, correct?</p> <p>2 A Yes.</p> <p>3 Q Okay. What specific application or module</p> <p>4 performs that functionality in the current version?</p> <p>5 A Purchase order.</p> <p>6 Q So it's the purchase order module that</p> <p>7 would permit a user of the Lawson Procurement system</p> <p>8 to load vendor catalog information into the</p> <p>9 database?</p> <p>10 A Yes.</p> <p>11 Q All right. Just at a high level, I want to</p> <p>12 ask you if some of the requirements in the processes</p> <p>13 that are identified here just on the first page of</p> <p>14 the document still pertain to the current version of</p> <p>15 the Lawson Procurement application. Okay?</p> <p>16 A Okay.</p> <p>17 Q All right. Number 1 it says, "There is a</p> <p>18 need to automatically load vendor item information</p> <p>19 into the Lawson system." Do you see that?</p> <p>20 A Yes.</p> <p>21 Q That requirement still exists in the</p> <p>22 current version, right?</p> | <p>164</p> <p>1 Q It says, "The purpose of this document is</p> <p>2 to define a new process that will read a vendor</p> <p>3 supplied file of items and add the items to the Item</p> <p>4 Master and the item's price to the vendor agreement</p> <p>5 file."</p> <p>6 Do you see that?</p> <p>7 A Yes.</p> <p>8 Q Is that still true of the Lawson electronic</p> <p>9 Procurement application in 2009?</p> <p>10 A Yes.</p> <p>11 Q It goes on to state, it gives -- excuse me.</p> <p>12 It needs to give Lawson -- strike that. Let me</p> <p>13 start over.</p> <p>14 Next sentence states, "It needs to give the</p> <p>15 Lawson customer the ability to identify which vendor</p> <p>16 items should be loaded into the Lawson system and</p> <p>17 which are not needed."</p> <p>18 Do you see that?</p> <p>19 A Yes.</p> <p>20 Q Still relevant to the 2009 Lawson</p> <p>21 application, correct?</p> <p>22 A Yes.</p> |

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| <p>165</p> <p>1 Q Under "Process," the first paragraph there</p> <p>2 discusses that, "The process for loading vendor</p> <p>3 catalog data into the Lawson system will be</p> <p>4 performed in multiple steps." Do you see that?</p> <p>5 A Yes.</p> <p>6 Q Is it still performed in multiple steps</p> <p>7 today?</p> <p>8 A Yes.</p> <p>9 Q Okay. It says the first step will be to</p> <p>10 obtain the vendor catalog information. Is that</p> <p>11 still the first step today?</p> <p>12 A Yes.</p> <p>13 Q Do you see a reference there to a CSV file?</p> <p>14 A Yes.</p> <p>15 Q Do you know what that stands for?</p> <p>16 A Comma separated values.</p> <p>17 Q Okay. Do you still use comma separated</p> <p>18 values in the process for loading vendor catalog</p> <p>19 data?</p> <p>20 A Yes.</p> <p>21 Q It says, "At a later time the file will be</p> <p>22 changed to an XML format." That's that extended</p> | <p>167</p> <p>1 Software America, Inc.'s Procurement Punchout</p> <p>2 Partner Agreement." It bears the Bates label LE</p> <p>3 00232215 through '223. Let me know when you're</p> <p>4 finished reviewing that, sir.</p> <p>5 A I'm finished reviewing it.</p> <p>6 Q Have you seen documents of this type</p> <p>7 before?</p> <p>8 A Yes.</p> <p>9 Q Earlier we were discussing written</p> <p>10 agreements with Lawson's punchout trading partners.</p> <p>11 Do you recall that?</p> <p>12 A Yes.</p> <p>13 Q Is this an example of one of those written</p> <p>14 agreements?</p> <p>15 A Yes.</p> <p>16 Q And those written agreements with your</p> <p>17 trading partners I thought you indicated was only</p> <p>18 about 10 or 15 percent?</p> <p>19 A Yes.</p> <p>20 Q Was this a standardized agreement? Do you</p> <p>21 know?</p> <p>22 A Yes.</p> |
| <p>166</p> <p>1 markup language we were talking about? XML stands</p> <p>2 for extended markup language?</p> <p>3 A Yes.</p> <p>4 Q And is that a protocol for exchanging</p> <p>5 information over the web?</p> <p>6 A Yes.</p> <p>7 Q Okay. That's all I have for that document,</p> <p>8 sir.</p> <p>9 (Lohkamp Deposition Exhibit 9 was</p> <p>10 marked for identification and was attached to the</p> <p>11 deposition transcript.)</p> <p>12 BY MR. ROBERTSON:</p> <p>13 Q Let me show you what I've marked as Lohkamp</p> <p>14 Exhibit 8. I'm just going to have a few questions</p> <p>15 on that.</p> <p>16 MS. HUGHEY: You mean nine?</p> <p>17 THE WITNESS: Oh, excuse me.</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q Is it -- does it say Exhibit 8 or Exhibit 9</p> <p>20 on that, Mr. Lohkamp?</p> <p>21 A Exhibit 9.</p> <p>22 Q Sorry. Exhibit 9 is entitled "Lawson</p> | <p>168</p> <p>1 Q Did you have any role in preparing or</p> <p>2 authoring any of the provisions of Exhibit 9?</p> <p>3 A Yes.</p> <p>4 Q Can you identify just a few samples or</p> <p>5 examples for me?</p> <p>6 A Just reviewing the program benefits, what</p> <p>7 should be included in there.</p> <p>8 Q That's all I have for that document, sir.</p> <p>9 (Lohkamp Deposition Exhibit 10 was</p> <p>10 marked for identification and was attached to the</p> <p>11 deposition transcript.)</p> <p>12 BY MR. ROBERTSON:</p> <p>13 Q Let me show you what I've marked Lohkamp</p> <p>14 Exhibit 10 and ask you to take a moment to look at</p> <p>15 that, and while you do, let me identify it. It's</p> <p>16 entitled "Services Order Form," and it has a Bates</p> <p>17 label of LE 00503589 through '92. My question is,</p> <p>18 have you seen documents of this type before?</p> <p>19 A Yes.</p> <p>20 Q Is this a document that is part of the</p> <p>21 agreements with Lawson's trading partners?</p> <p>22 A Yes.</p> |

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| <p>169</p> <p>1 Q This particular trading partner was a</p> <p>2 company known as PartsSource, Inc.?</p> <p>3 A Yes.</p> <p>4 Q Would this agreement be an addendum to this</p> <p>5 standard Procurement Punchout Partner Agreement that</p> <p>6 was Exhibit 9?</p> <p>7 A I'm not sure it would be an addendum, but</p> <p>8 it's related to the agreement.</p> <p>9 Q Okay. In every instance where there was a</p> <p>10 standard Procurement Punchout Partner Agreement,</p> <p>11 would there also be a services order form that</p> <p>12 related to it associated with it?</p> <p>13 A Not always, no.</p> <p>14 Q In this particular instance if you'll look</p> <p>15 at page that ends '591, there were certain</p> <p>16 deliverables that are being identified there. Do</p> <p>17 you see that?</p> <p>18 A Yes.</p> <p>19 Q Okay. The deliverables are services that</p> <p>20 are being delivered by Lawson in this instance,</p> <p>21 correct?</p> <p>22 A Yes.</p> | <p>171</p> <p>1 generally available system that the customer's</p> <p>2 installed, would work when they punched out to the</p> <p>3 trading partner.</p> <p>4 Q And Lawson was charging their punchout</p> <p>5 partner for performing those services, correct?</p> <p>6 A For performing the validation and testing</p> <p>7 and for the initial connection.</p> <p>8 Q Okay. That's all I have on that document,</p> <p>9 sir.</p> <p>10 (Lohkamp Deposition Exhibit 11 was</p> <p>11 marked for identification and was attached to the</p> <p>12 deposition transcript.)</p> <p>13 BY MR. ROBERTSON:</p> <p>14 Q Let me show you what's been marked as</p> <p>15 Lohkamp Exhibit 11 and ask you to take a minute to</p> <p>16 look at that. It appears to be a joint press</p> <p>17 release between SciQuest and Lawson entitled</p> <p>18 "SciQuest Announces Partnership with Lawson</p> <p>19 Software," dated July 17, 2008, bearing the Bates</p> <p>20 label of ePlus 0240816 through '817.</p> <p>21 My question is, do you know whether or not</p> <p>22 SciQuest and Lawson still have a partnership as of</p> |
| <p>170</p> <p>1 Q So Lawson was to provide to its punchout</p> <p>2 partner a senior technical consultant who would be</p> <p>3 available, correct?</p> <p>4 A Yes.</p> <p>5 Q And Lawson would provide the punchout</p> <p>6 testing that's identified there?</p> <p>7 A Yes.</p> <p>8 Q And the testing would be to ensure that the</p> <p>9 communication protocol between a user and the</p> <p>10 trading partner would -- would work, right?</p> <p>11 MS. HUGHEY: Objection, vague.</p> <p>12 THE WITNESS: It'd be to test between the</p> <p>13 Lawson development system and the partner system</p> <p>14 that it worked.</p> <p>15 BY MR. ROBERTSON:</p> <p>16 Q So that users who wanted to communicate</p> <p>17 between the Lawson development system and the</p> <p>18 partner system could do so, correct?</p> <p>19 A No.</p> <p>20 Q What would be the purpose then of the</p> <p>21 testing?</p> <p>22 A That the Lawson Procurement Punchout, the</p> | <p>172</p> <p>1 today?</p> <p>2 A Yes, I believe so.</p> <p>3 Q The second full paragraph of the exhibit</p> <p>4 states, "Through the partnership, Lawson's customers</p> <p>5 can leverage the Lawson Procurement Punchout</p> <p>6 application to integrate with SciQuest's Spend</p> <p>7 Director solution -- an on-demand eProcurement</p> <p>8 platform that combines the catalog management and</p> <p>9 supplier enablement capabilities procurement</p> <p>10 professionals need with a familiar online shopping</p> <p>11 experience users want."</p> <p>12 Do you see that?</p> <p>13 A Yes.</p> <p>14 Q Is the partnership between Lawson</p> <p>15 Procurement Punchout application and SciQuest Spend</p> <p>16 Director still in place?</p> <p>17 A Yes.</p> <p>18 Q That's all I have on that document, sir.</p> <p>19 MR. ROBERTSON: I'm informed that we have</p> <p>20 just a few more minutes left on the tape, so why</p> <p>21 don't we take a short break and change the tape, 5</p> <p>22 minutes. Thanks.</p> |

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| <p>173</p> <p>1 THE VIDEOGRAPHER: This marks the end of</p> <p>2 Volume 1, Tape No. 2 in the deposition of Keith</p> <p>3 Lohkamp. Going off the record. The time is 2:27,</p> <p>4 p.m.</p> <p>5 (Recess, during which time Mr. Schultz</p> <p>6 left the deposition.)</p> <p>7 THE VIDEOGRAPHER: Back on the record.</p> <p>8 Here marks the beginning of Volume 1, Tape No. 3 in</p> <p>9 the deposition of Keith Lohkamp. The time is 2:32,</p> <p>10 p.m.</p> <p>11 MS. HUGHEY: Scott, before you move to your</p> <p>12 next document, I just wanted to let you know we did</p> <p>13 get the Keith Lohkamp status reports you asked about</p> <p>14 it. They have been produced. I can give you the</p> <p>15 Bates range if you'd like.</p> <p>16 MR. ROBERTSON: Sure. That'd be very</p> <p>17 helpful.</p> <p>18 MR. SPENDLOVE: I looked -- I looked for</p> <p>19 those at lunch and couldn't find them.</p> <p>20 MS. HUGHEY: LE 292646 to LE 292677. And,</p> <p>21 again, those are Keith Lohkamp's status reports.</p> <p>22 MR. SPENDLOVE: Okay, thank you.</p> | <p>175</p> <p>1 that at least perhaps in the last quarter of 2006</p> <p>2 you had some involvement?</p> <p>3 A Yes.</p> <p>4 Q And this document, was it for an internal</p> <p>5 audience?</p> <p>6 A Yes.</p> <p>7 Q And was this your effort to enhance the</p> <p>8 procurement capabilities of the M3 suite of</p> <p>9 solutions?</p> <p>10 A The M3 eProcurement application.</p> <p>11 Q It's indicated on this document that it's a</p> <p>12 draft. Do you know whether it was ever finalized,</p> <p>13 sir?</p> <p>14 A I don't recall if it was or not.</p> <p>15 Q Do you know whether you did make an</p> <p>16 internal presentation to anybody at Lawson with</p> <p>17 respect to the M3 electronic procurement?</p> <p>18 A I believe I did.</p> <p>19 Q Who would that have been, sir?</p> <p>20 A I don't recall exactly. I believe it would</p> <p>21 be to -- would have been to other people in product</p> <p>22 management.</p> |
| <p>174</p> <p>1 (Lohkamp Deposition Exhibit 12 was</p> <p>2 marked for identification and was attached to the</p> <p>3 deposition transcript.)</p> <p>4 BY MR. ROBERTSON:</p> <p>5 Q I show you, Mr. Lohkamp, what's been marked</p> <p>6 as Exhibit 12. Why don't you take a minute to look</p> <p>7 at that while I identify it for the record. It's a</p> <p>8 document that's entitled "M3 e-Procurement 7.x for</p> <p>9 US Sponsored by Product Management," bears the name</p> <p>10 of Keith Lohkamp on it, and has Bates label LE</p> <p>11 00219767 through '9801.</p> <p>12 My first question is, sir, do you recognize</p> <p>13 the document?</p> <p>14 A Yes.</p> <p>15 Q Were you indeed the author of the document?</p> <p>16 A Yes, I was.</p> <p>17 Q You recall testifying earlier that at some</p> <p>18 point you were involved in a Procurement application</p> <p>19 involving M3; is that right?</p> <p>20 A Yes.</p> <p>21 Q And I thought you indicated that was</p> <p>22 primarily during the time of 2007, but it appears</p> | <p>176</p> <p>1 Q That include Mr. Hager?</p> <p>2 A Not -- not in this case.</p> <p>3 Q Okay. How about Henrik Bilgren?</p> <p>4 A I don't recall if he saw this.</p> <p>5 Q John Gledhil?</p> <p>6 A I don't recall if he saw this.</p> <p>7 Q Mr. Rasmussen?</p> <p>8 A I would think Mr. Rasmussen saw this.</p> <p>9 Q Darci Snyder?</p> <p>10 A I believe so.</p> <p>11 Q And Lars Bremer?</p> <p>12 A I don't recall if he saw that.</p> <p>13 Q Will you look at the page that ends with</p> <p>14 the Bates label '771, sir, "Customer and Analyst</p> <p>15 Endorsement." Let me know when you get to the page,</p> <p>16 '771.</p> <p>17 A Sorry. Okay, yes.</p> <p>18 Q Under the heading there for analysts you</p> <p>19 have a -- a dash point there from the Aberdeen</p> <p>20 Group. Do you see that?</p> <p>21 A Yes.</p> <p>22 Q That's one of those instances where you</p> |

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| <p>177</p> <p>1 relied on an industry report to provide and</p> <p>2 incorporate some informational content?</p> <p>3 A Yes.</p> <p>4 Q And you chose there to include the</p> <p>5 statement by Aberdeen in an August 2006 report that</p> <p>6 says, "eProcurement is here to stay. Any company</p> <p>7 not currently utilizing some level of eProcurement</p> <p>8 needs to reevaluate this decision immediately."</p> <p>9 Do you see that?</p> <p>10 A Yes.</p> <p>11 Q Did you incorporate that statement in this</p> <p>12 report because you thought that was an accurate</p> <p>13 statement?</p> <p>14 A Yes.</p> <p>15 Q If you turn to the page that ends 774,</p> <p>16 sir, there's a page concerning M3 eProcurement</p> <p>17 Positioning, Packaging and Pricing. Do you see</p> <p>18 that?</p> <p>19 A Yes.</p> <p>20 Q Were you involved in the pricing for M3</p> <p>21 procurement?</p> <p>22 A For M3 eProcurement, yes.</p> | <p>179</p> <p>1 Q Okay. One of the opportunities that you</p> <p>2 identify here is that "Using eProcurement as a</p> <p>3 'Competitive edge' in full ERP sales cases." Do you</p> <p>4 see that?</p> <p>5 A Yes.</p> <p>6 Q And when you wrote that, did you believe</p> <p>7 that to be true?</p> <p>8 A Yes.</p> <p>9 Q And do you believe it to be true still</p> <p>10 today?</p> <p>11 A Yes.</p> <p>12 Q So by providing an eProcurement solution as</p> <p>13 part of a full enterprise resource planning</p> <p>14 offering, that would give Lawson a competitive edge?</p> <p>15 MS. HUGHEY: Asked and answered, objection.</p> <p>16 BY MR. ROBERTSON:</p> <p>17 Q Fair to say?</p> <p>18 A Yes.</p> <p>19 Q Do you know whether or not your customers</p> <p>20 find the punchout procurement functionality to be</p> <p>21 advantageous?</p> <p>22 MS. HUGHEY: Objection, vague.</p> |
| <p>178</p> <p>1 Q I mean, did you come up with those</p> <p>2 recommended figures there, for example \$28,080, for</p> <p>3 a base price?</p> <p>4 A I don't recall if I came up with that</p> <p>5 price.</p> <p>6 Q In November of 2006 -- well, strike that.</p> <p>7 Do you know whether or not -- well, do you</p> <p>8 know whether today M3 has an eProcurement</p> <p>9 application?</p> <p>10 A Yes.</p> <p>11 Q Do you know what its pricing is offhand?</p> <p>12 A No, I don't.</p> <p>13 Q Okay. Is it close to \$28,000 for a base</p> <p>14 price?</p> <p>15 A I don't know.</p> <p>16 Q If you'll take a look at the page that ends</p> <p>17 782, and there's a heading there. It says, "Lawson</p> <p>18 M3 eProcurement SWOT," S-W-O-T?</p> <p>19 A Yes.</p> <p>20 Q And SWOT, I gather, stands for strength,</p> <p>21 weaknesses, opportunities, and threats?</p> <p>22 A Yes.</p> | <p>180</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. ROBERTSON:</p> <p>3 Q And do they?</p> <p>4 A Yes.</p> <p>5 Q Is the sales of the punchout Procurement</p> <p>6 application growing or dwindling?</p> <p>7 MS. HUGHEY: Objection, vague.</p> <p>8 THE WITNESS: Growing.</p> <p>9 BY MR. ROBERTSON:</p> <p>10 Q That's all I have on that document, sir.</p> <p>11 (Lohkamp Deposition Exhibit 13 was</p> <p>12 marked for identification and was attached to the</p> <p>13 deposition transcript.)</p> <p>14 BY MR. ROBERTSON:</p> <p>15 Q Let me show you what's been marked as</p> <p>16 Lohkamp Exhibit 13. Why don't you take a moment to</p> <p>17 look at that, sir, and while you do, the document</p> <p>18 states at the top, "General Comment on Strategy,"</p> <p>19 and it bears the Bates label of LE 00235710 through</p> <p>20 711, two-page document.</p> <p>21 I guess my first question is, have you seen</p> <p>22 this document before?</p> |

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| <p>181</p> <p>1 A Yes, I believe I have.</p> <p>2 Q Do you know who the author was, sir?</p> <p>3 A Yeah, I don't -- I don't recall if -- I</p> <p>4 know I provided input into this. I'm not sure if I</p> <p>5 was the ultimate author of it or not.</p> <p>6 Q Okay. But would you agree with me that it</p> <p>7 appears that there -- the subject of this discussion</p> <p>8 in the document is the attributes of M3 procurement</p> <p>9 versus S3 Requisitions Self-Service, and punchout</p> <p>10 procurement?</p> <p>11 A Yes.</p> <p>12 Q I mean, is this an effort by someone to try</p> <p>13 and come up with a strategy on cross-selling M3</p> <p>14 eProcurement to existing S3 procurement customers?</p> <p>15 A Yes.</p> <p>16 Q There's a paragraph that starts, "No real</p> <p>17 opportunity." Do you see that?</p> <p>18 A Yes.</p> <p>19 Q And the opportunity that whoever the author</p> <p>20 of this document is referring to is the healthcare</p> <p>21 industry, is that right, being discussed in this</p> <p>22 paragraph?</p> | <p>183</p> <p>1 Punchout, particularly if we add new trading</p> <p>2 partners." Did I read that correctly?</p> <p>3 A Yes.</p> <p>4 Q Would that be, in your view, a fair</p> <p>5 assessment of the perspective of the healthcare</p> <p>6 customers who've embraced the S3 procurement</p> <p>7 solution?</p> <p>8 A Yes.</p> <p>9 Q So, in other words, your healthcare sector</p> <p>10 likes the S3 solution so there wasn't going to be a</p> <p>11 real opportunity to get them to transition to an M3</p> <p>12 procurement solution or add that solution to their</p> <p>13 procurement ability?</p> <p>14 MS. HUGHEY: Objection, vague. Objection,</p> <p>15 asked and answered.</p> <p>16 THE WITNESS: Yes.</p> <p>17 BY MR. ROBERTSON:</p> <p>18 Q That's all I have on that document, sir.</p> <p>19 (Lohkamp Deposition Exhibit 14 was</p> <p>20 marked for identification and was attached to the</p> <p>21 deposition transcript.)</p> <p>22 BY MR. ROBERTSON:</p> |
| <p>182</p> <p>1 A Yes.</p> <p>2 Q And is it fair to say that whoever the</p> <p>3 author of is of this document, whether it was you or</p> <p>4 somebody who contributed to it, is concluding that</p> <p>5 the opportunities in healthcare are not significant</p> <p>6 because the healthcare customers have embraced the</p> <p>7 S3 Requisitions Self-Service, and punchout</p> <p>8 procurement solution, correct?</p> <p>9 MS. HUGHEY: Objection. The document</p> <p>10 speaks for itself.</p> <p>11 THE WITNESS: Yes, the opportunity for M3</p> <p>12 eProcurement for -- there was an opportunity in</p> <p>13 healthcare.</p> <p>14 BY MR. ROBERTSON:</p> <p>15 Q Because the healthcare customers liked the</p> <p>16 S3 solution?</p> <p>17 A Yes.</p> <p>18 MS. HUGHEY: Objection, vague.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q In fact, it indicates there that</p> <p>21 "Healthcare customers have embraced S3 Requisitions</p> <p>22 Self-Service and many are interested in Procurement</p> | <p>184</p> <p>1 Q Let me show you what's been marked as</p> <p>2 Exhibit 14, Mr. Lohkamp. And while you do that, it</p> <p>3 appears to be a 2-page e-mail or an e-mail string</p> <p>4 that bears the Bates label LE 00545823 through '24.</p> <p>5 Is this an e-mail from you, Mr. Lohkamp, to Jeff</p> <p>6 Frank?</p> <p>7 A Yes, it is.</p> <p>8 Q Okay. And it appears to be dated January</p> <p>9 8, 2009, correct?</p> <p>10 A Yes.</p> <p>11 Q Mr. Frank, he is the vice president of</p> <p>12 marketing, correct?</p> <p>13 A Yes.</p> <p>14 Q And you were discussing in here promotional</p> <p>15 pricing for Procurement Punchout. Do you see that?</p> <p>16 Strike that.</p> <p>17 Actually, you're indicating you don't have</p> <p>18 promo pricing for Procurement Punchout, correct?</p> <p>19 A Correct.</p> <p>20 Q But you wanted to use it as part of a</p> <p>21 webinar for developing the program; is that right?</p> <p>22 A I'm not sure I understand your question.</p> |

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| <p>185</p> <p>1 Q It was a bad question. Were you intending</p> <p>2 to have some sort of webinar to introduce</p> <p>3 Procurement Punchout?</p> <p>4 A We were planning to have a webinar to show</p> <p>5 Procurement Punchout.</p> <p>6 Q Okay. A webinar is a web-based</p> <p>7 presentation that you can show to either internal or</p> <p>8 external audiences?</p> <p>9 A Yes.</p> <p>10 Q In this instance, the webinar -- potential</p> <p>11 webinar you're discussing here, was that for</p> <p>12 internal or external?</p> <p>13 A External.</p> <p>14 Q Okay. So to potential customers?</p> <p>15 A Yes.</p> <p>16 Q Okay. And are you indicating here to</p> <p>17 Mr. Frank that it would be helpful when doing so to</p> <p>18 be able to essentially tell customers what the</p> <p>19 promotional pricing would be for that application?</p> <p>20 A No.</p> <p>21 Q Okay. Why do you indicate to Mr. Frank</p> <p>22 that we do not have promo pricing for Procurement</p> | <p>187</p> <p>1 deposition transcript.)</p> <p>2 BY MR. ROBERTSON:</p> <p>3 Q Let me show you what I've marked as Lohkamp</p> <p>4 Exhibit 15. Take a look -- a minute to look at</p> <p>5 that, and just while you're looking at it, there's a</p> <p>6 document that's -- excuse me. The document's</p> <p>7 entitled "Welcome to the Lawson Web Requisition: A</p> <p>8 Guide for the Beginning Requester." It has the</p> <p>9 Bates label ePlus 0241397 through '416.</p> <p>10 And my preliminary question is, have you</p> <p>11 seen this document before?</p> <p>12 A No.</p> <p>13 Q Document appears to be somewhat dated since</p> <p>14 the Lawson logo has changed; is that right?</p> <p>15 A Yes.</p> <p>16 Q Do you know whether the audience for this</p> <p>17 document would be internal or external, if you know?</p> <p>18 A It -- it appears to be external.</p> <p>19 Q And why -- why do you conclude that, sir?</p> <p>20 A Because the SUNY Upstate Medical University</p> <p>21 logo on the front.</p> <p>22 Q So do you think this was a presentation for</p> |
| <p>186</p> <p>1 Punchout, but we'd like to have a webinar for it as</p> <p>2 part of the program?</p> <p>3 A So we didn't -- we didn't have promo</p> <p>4 pricing, but we wanted to have a webinar as part of</p> <p>5 a webinar series they were doing, and that's a</p> <p>6 program.</p> <p>7 Q Did you -- I'm sorry. I didn't mean to</p> <p>8 interrupt you. Did you want to include pricing</p> <p>9 information in that webinar?</p> <p>10 A No.</p> <p>11 Q You state here that this Procurement</p> <p>12 Punchout can have a great impact on customers. Do</p> <p>13 you see that?</p> <p>14 A Yes.</p> <p>15 Q Was that your view then in January of 2009?</p> <p>16 A Yes.</p> <p>17 Q And is it still your view in October of</p> <p>18 2009?</p> <p>19 A Yes.</p> <p>20 Q Okay, thank you.</p> <p>21 (Lohkamp Deposition Exhibit 15 was</p> <p>22 marked for identification and was attached to the</p> | <p>188</p> <p>1 SUNY Upstate Medical as to Lawson's web requisition?</p> <p>2 MS. HUGHEY: Objection, foundation.</p> <p>3 BY MR. ROBERTSON:</p> <p>4 Q If you know.</p> <p>5 A It appears to be a user guide for that --</p> <p>6 that particular customer.</p> <p>7 Q Are you familiar with the user interface on</p> <p>8 the requisition module?</p> <p>9 A Yes.</p> <p>10 Q I want you to flip to the page that ends</p> <p>11 with the Bates label '404 just for example.</p> <p>12 A Okay.</p> <p>13 Q Or actually, better yet, '403. The page</p> <p>14 entitled "Item Selection," do you see that?</p> <p>15 A Yes.</p> <p>16 Q Does this appear to be a user interface for</p> <p>17 the Lawson requisition module that was prepared for</p> <p>18 SUNY Upstate Medical University?</p> <p>19 MS. HUGHEY: Objection, foundation.</p> <p>20 THE WITNESS: No.</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q Okay. What does it appear to you to be?</p> |

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| <p>189</p> <p>1 A Lawson Web Reqs.</p> <p>2 Q What's Lawson Web Reqs?</p> <p>3 A It was the early version of Requisitions</p> <p>4 Self-Service.</p> <p>5 Q Okay, all right. That's all I have for</p> <p>6 that, sir.</p> <p>7 Go about 15 more minutes and then take</p> <p>8 another break. Is that all right with you,</p> <p>9 Mr. Lohkamp?</p> <p>10 A That's fine.</p> <p>11 MR. ROBERTSON: We have better weather this</p> <p>12 time, Rachel.</p> <p>13 MS. HUGHEY: I know. It's much better.</p> <p>14 MR. ROBERTSON: Are you going to be here</p> <p>15 Thursday? It's going to be real nice.</p> <p>16 MS. HUGHEY: I hope. I hope it's going to</p> <p>17 be nice.</p> <p>18 MR. ROBERTSON: Like 75.</p> <p>19 How we doing? Okay.</p> <p>20 (Lohkamp Deposition Exhibit 16 was</p> <p>21 marked for identification and was attached to the</p> <p>22 deposition transcript.)</p> | <p>191</p> <p>1 Q Were you the principal author of it? Do</p> <p>2 you know?</p> <p>3 A I was, along with Tom Fritch.</p> <p>4 Q Okay. Do you know -- excuse me.</p> <p>5 Is Mr. Fritch from Trinity Health?</p> <p>6 A Yes, he is.</p> <p>7 Q Is Trinity Health a customer of Lawson's</p> <p>8 Procurement Punchout with External Vendors?</p> <p>9 A They're a customer Procurement Punchout.</p> <p>10 Q Do you know whether they use external</p> <p>11 vendors?</p> <p>12 A Yes.</p> <p>13 Q Okay. Are these external vendors, are they</p> <p>14 trading partners or not?</p> <p>15 A Yes.</p> <p>16 Q Turning to the page that ends '142, you'll</p> <p>17 see Lawson Procurement Punchout features. Are you</p> <p>18 with me?</p> <p>19 A Yes.</p> <p>20 Q There are five various features. I don't</p> <p>21 want to go through them or recite them. I'd like</p> <p>22 you to just look at them and tell me if those</p> |
| <p>190</p> <p>1 BY MR. ROBERTSON:</p> <p>2 Q I show you, Mr. Lohkamp, what I've marked</p> <p>3 as Exhibit 16. While you're looking at it, it's a</p> <p>4 document that is entitled "Using Lawson Procurement</p> <p>5 Punchout with External Vendors," indicates the host</p> <p>6 is Keith Lohkamp. It's got a date that appears to</p> <p>7 be November 21, but it's obscured by what appears to</p> <p>8 be a WebEx player depicted there on the lower</p> <p>9 right-hand corner, and it bears the Bates label of</p> <p>10 ePlus 0444140 through '4170.</p> <p>11 My initial question is, have you seen this</p> <p>12 document before, sir?</p> <p>13 A Yes.</p> <p>14 Q Would this be an example of one of the</p> <p>15 webinars that you were discussing earlier that would</p> <p>16 provide information as to the functionality of</p> <p>17 certain software applications, in this instance the</p> <p>18 Procurement Punchout with external vendors?</p> <p>19 A Yes.</p> <p>20 Q Did you have a role in preparing this</p> <p>21 webinar?</p> <p>22 A Yes.</p> | <p>192</p> <p>1 features are, in fact, accurate in this webinar</p> <p>2 you've put together?</p> <p>3 A Yes.</p> <p>4 Q Are the benefits accurate as well?</p> <p>5 A Yes.</p> <p>6 Q The next page, those are examples of</p> <p>7 various punchout trading partners, correct?</p> <p>8 A Yes.</p> <p>9 Q Can you turn to the page, sir, that ends</p> <p>10 with the Bates label '148. You see there it says,</p> <p>11 "SCIS Project Objectives," at the top?</p> <p>12 A Yes.</p> <p>13 Q What does SCIS stand for?</p> <p>14 A I don't recall what it stands for.</p> <p>15 Q Okay. Does this reflect that one of the</p> <p>16 objectives achieved at all of the live sites</p> <p>17 included shared catalog of items and vendors and a</p> <p>18 link to shared catalog items to change description</p> <p>19 master and chart of accounts?</p> <p>20 A That's what the bullets say.</p> <p>21 Q But you don't know whether that was</p> <p>22 actually achieved?</p> |

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| <p>193</p> <p>1 A My understanding is based on feedback from</p> <p>2 Trinity that they achieved those two bullets.</p> <p>3 Q If you turn to the next page that says,</p> <p>4 "Phased Lawson Rollout," and you see there the last</p> <p>5 caret point is "Approximately 6,500 users currently</p> <p>6 using Lawson Requisitions Self-Service."</p> <p>7 Do you see that?</p> <p>8 A Yes.</p> <p>9 Q That's one of the benefits of the Lawson</p> <p>10 Requisitions Self-Service we discussed earlier, that</p> <p>11 multiple users can -- can use it even sitting at</p> <p>12 their desktop or laptop in their offices?</p> <p>13 MS. HUGHEY: Objection, vague.</p> <p>14 THE WITNESS: Yes.</p> <p>15 BY MR. ROBERTSON:</p> <p>16 Q If you'll turn to the page that ends '154,</p> <p>17 you've got a diagram there indicating the</p> <p>18 Requisitions Self-Service/punchout flow process</p> <p>19 (sic). Do you see that?</p> <p>20 A Yes.</p> <p>21 Q Steps -- essentially six steps there?</p> <p>22 A Yes.</p> | <p>195</p> <p>1 BY MR. ROBERTSON:</p> <p>2 Q Let me show you what's been marked as</p> <p>3 Lohkamp Deposition Exhibit 17 and ask you to take a</p> <p>4 minute -- moment to look at that. And, for the</p> <p>5 record, it's entitled "Lawson S3 Requisitions</p> <p>6 Self-Service Overview." It bears the name of Keith</p> <p>7 Lohkamp. It has the Bates label ePlus 0621206</p> <p>8 through '233.</p> <p>9 Do you recognize the document, sir?</p> <p>10 A Yes, I do.</p> <p>11 Q And were you the author of it?</p> <p>12 A Yes, I was.</p> <p>13 Q And this also a webinar presentation?</p> <p>14 A This is a recorded -- recorded</p> <p>15 presentation.</p> <p>16 Q For some reason you don't think it was</p> <p>17 available over the web?</p> <p>18 A Oh, it was available over the web.</p> <p>19 Q Was this for then external consumption?</p> <p>20 A Yes.</p> <p>21 Q And was the purpose of this to describe for</p> <p>22 an external audience the features and functionality</p> |
| <p>194</p> <p>1 Q I don't want to go through each one, but</p> <p>2 will you just look at it for me and confirm whether</p> <p>3 it's accurate or, if it's not accurate, tell me in</p> <p>4 what way?</p> <p>5 A It's not accurate as of current versions.</p> <p>6 Q Okay. What's not accurate about it, sir?</p> <p>7 A We no longer use webMethods.</p> <p>8 Q Oh, you had mentioned that before. Now</p> <p>9 you're using a Lawson XML?</p> <p>10 A We are using Lawson-developed functionality</p> <p>11 to forward the XML message.</p> <p>12 Q Not webMethods' third-party functionality?</p> <p>13 A Correct.</p> <p>14 Q Is that the only difference in the process</p> <p>15 flow, the substitution of this internal</p> <p>16 functionality that substitutes for webMethods?</p> <p>17 A Yes. The -- the steps -- the steps would</p> <p>18 be the same, just not using the webMethods.</p> <p>19 Q That's all I have for that document, sir.</p> <p>20 (Lohkamp Deposition Exhibit 17 was</p> <p>21 marked for identification and was attached to the</p> <p>22 deposition transcript.)</p> | <p>196</p> <p>1 of the S3 Requisitions Self-Service application?</p> <p>2 A Yes.</p> <p>3 Q And if you'll look at the page that ends</p> <p>4 '209, there's a description of what the Lawson</p> <p>5 Requisitions Self-Service includes. Do you see</p> <p>6 that?</p> <p>7 A Yes.</p> <p>8 Q Before we get to that, there's a paragraph</p> <p>9 right above that says, "Lawson Requisitions</p> <p>10 Self-Service eliminates manual, paper-based</p> <p>11 requisitioning by providing web-based, end-user,</p> <p>12 template based requisitioning and workflow approval,</p> <p>13 leading to faster order cycle times, increased</p> <p>14 standardization, and reduced cost."</p> <p>15 Do you see that?</p> <p>16 A Yes.</p> <p>17 Q Is that an accurate statement in your view?</p> <p>18 A Yes.</p> <p>19 Q Those are the benefits of an electronic</p> <p>20 procurement system over a manual paper-based</p> <p>21 requisitioning system?</p> <p>22 A It's the benefits of Requisitions</p> |

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| <p>197</p> <p>1 Self-Service.</p> <p>2 Q Over a manual paper-based system?</p> <p>3 A Yes.</p> <p>4 Q And the Requisitions Self-Service</p> <p>5 application is capable of integration with Lawson</p> <p>6 Procurement and Procurement Punchout, correct?</p> <p>7 A Yes.</p> <p>8 Q Turn to the next page. Does that appear to</p> <p>9 be the user interface of the Lawson self-service</p> <p>10 requisition?</p> <p>11 A Yes, Requisitions Self-Service.</p> <p>12 Q Yeah. Sorry if I misspoke. And one of the</p> <p>13 things that is occurring on that page is someone</p> <p>14 is -- is clicking on a drop-down menu; is that</p> <p>15 right?</p> <p>16 A Yes.</p> <p>17 Q And one of the things that you can do when</p> <p>18 you do the -- click on that drop-down menu is</p> <p>19 specify that you want to search a particular</p> <p>20 catalog, correct?</p> <p>21 A Specify to search a catalog, yes.</p> <p>22 Q And after I do that, I could then specify</p> | <p>199</p> <p>1 Q Mm-hmm. So I would go to punchout and then</p> <p>2 I could specify the vendor that I wanted to go and</p> <p>3 search?</p> <p>4 A I would go to punchout, and if that vendor</p> <p>5 were set up for punchout, I would see a logo on the</p> <p>6 punchout screen and I would click on the logo and it</p> <p>7 would take me to the vendor's web site, and then I</p> <p>8 could search on their web site.</p> <p>9 Q Okay. That's all I have for that document,</p> <p>10 sir.</p> <p>11 MR. ROBERTSON: We'll take a break after</p> <p>12 we're done with this document.</p> <p>13 MS. HUGHEY: Sure.</p> <p>14 (Lohkamp Deposition Exhibit 18 was</p> <p>15 marked for identification and was attached to the</p> <p>16 deposition transcript.)</p> <p>17 BY MR. ROBERTSON:</p> <p>18 Q Let me show you what's been marked as</p> <p>19 Lohkamp Exhibit 18. And while we're doing that,</p> <p>20 it's a document entitled "Empower your people with</p> <p>21 Requisitions Self-Service and Procurement Punchout."</p> <p>22 It bears the name of Keith Lohkamp and Mr. Tom</p> |
| <p>198</p> <p>1 what catalog I want to search?</p> <p>2 A No.</p> <p>3 Q What do I do once I click on that search</p> <p>4 catalog?</p> <p>5 A I'm presented with a search box.</p> <p>6 Q And what can I -- what can I input in that</p> <p>7 search box?</p> <p>8 A I can search keywords to -- to find</p> <p>9 products.</p> <p>10 Q Could I -- could I search a vendor?</p> <p>11 A No.</p> <p>12 Q If I wanted to be able to search a</p> <p>13 particular vendor, how would I go about doing that?</p> <p>14 Say I wanted to search Staples as opposed to</p> <p>15 OfficeMax and I had Procurement Punchout.</p> <p>16 A Oh, if I have Procurement Punchout?</p> <p>17 Q (Nodding.)</p> <p>18 A Okay. Then if I had Procurement Punchout,</p> <p>19 I would go to the find shop and go to punchout.</p> <p>20 Q Do you have a -- can you --</p> <p>21 A On -- in 210 there's a -- on the drop-down.</p> <p>22 So on the drop-down list it says punchout.</p> | <p>200</p> <p>1 Fritch. It has the Bates label ePlus 0621234</p> <p>2 through '280.</p> <p>3 I guess my preliminary question is, have</p> <p>4 you seen this document before?</p> <p>5 A Yes.</p> <p>6 Q Did you participate in authoring this</p> <p>7 document?</p> <p>8 A Yes.</p> <p>9 Q And we had talked earlier about -- or we</p> <p>10 had another PowerPoint presentation involving</p> <p>11 Mr. Fritch from I believe it was Trinity Hospital;</p> <p>12 is that right?</p> <p>13 A Yes.</p> <p>14 Q Was this part of the same presentation that</p> <p>15 you made at Trinity Hospital with Mr. Fritch?</p> <p>16 A No.</p> <p>17 Q Okay. What was the purpose of this</p> <p>18 document, if you know?</p> <p>19 A This was a webinar.</p> <p>20 Q Who was the intended audience?</p> <p>21 A Customers and prospects.</p> <p>22 Q Do you know whether or not you made this</p> |

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| <p>201</p> <p>1 presentation as a webinar?</p> <p>2 A Yes, I did.</p> <p>3 Q If you'll turn to the page that ends '238,</p> <p>4 I believe, it says, "Lawson S3 Supply Chain</p> <p>5 Management Suite."</p> <p>6 A I'm there.</p> <p>7 Q Okay. It bears a date of -- excuse me --</p> <p>8 August 21, 2008. Do you see that?</p> <p>9 A Yes.</p> <p>10 Q Is that about the time that you made this</p> <p>11 webinar presentation, if you recall?</p> <p>12 A Yes.</p> <p>13 Q It has a number of applications there and</p> <p>14 some modules, correct?</p> <p>15 A Yes.</p> <p>16 Q Is it still accurate as of today, October</p> <p>17 2009, that the Lawson S3 Supply Chain Management</p> <p>18 Suite has all of these applications or modules?</p> <p>19 A Yes.</p> <p>20 Q And the ones that are highlighted here are</p> <p>21 going to be the self-service and the Procurement</p> <p>22 Punchout, which were the subject of this particular</p> | <p>203</p> <p>1 Q I want to shift topics here, Mr. Lohkamp,</p> <p>2 and move on to some of the financial information</p> <p>3 with respect to these S3 Supply Chain Management</p> <p>4 solutions we've been talking about. Remember we</p> <p>5 mentioned earlier this morning there were at least</p> <p>6 three components that I've seen in the documents</p> <p>7 involving licensing, maintenance, and servicing</p> <p>8 revenues that can be attributed to a particular</p> <p>9 software solution.</p> <p>10 Are you familiar with some of the pricing</p> <p>11 in the S3 procurement space?</p> <p>12 A Yes.</p> <p>13 Q Okay. Did you make yourself familiar with</p> <p>14 those financial issues for purposes of the</p> <p>15 deposition today, or did you encounter those pricing</p> <p>16 issues with respect to electronic procurement on an</p> <p>17 almost daily basis in your job?</p> <p>18 A I definitely work on the pricing and see --</p> <p>19 see pricing and revenue numbers.</p> <p>20 Q Okay. Let me just see if this is an</p> <p>21 accurate statement. Based on the information that</p> <p>22 Lawson maintains with respect to revenues associated</p> |
| <p>202</p> <p>1 webinar, correct?</p> <p>2 A Yes.</p> <p>3 Q Do you know -- I think I asked you this</p> <p>4 before, but Lawson legal reviews the webinars for</p> <p>5 accuracy; is that right?</p> <p>6 A I believe so.</p> <p>7 Q Rather than go through the whole document,</p> <p>8 as far as the content that was provided by Lawson</p> <p>9 that you authored, leaving aside Mr. Fritch's</p> <p>10 contribution, is there any reason -- have you seen</p> <p>11 anything in here that would lead you to believe that</p> <p>12 it's not accurate?</p> <p>13 A No.</p> <p>14 MR. ROBERTSON: Okay. That's all I have</p> <p>15 for that document. Why don't we take a short break</p> <p>16 here.</p> <p>17 THE VIDEOGRAPHER: Going off the record.</p> <p>18 The time is 3:09 p.m.</p> <p>19 (Recess.)</p> <p>20 THE VIDEOGRAPHER: Back on the record. The</p> <p>21 time is 3:30 p.m.</p> <p>22 BY MR. ROBERTSON:</p> | <p>204</p> <p>1 with its suite of products that it provides, I want</p> <p>2 to -- I want to understand the level of granularity,</p> <p>3 if you understand that term. I could get down to</p> <p>4 understand individual revenue streams associated</p> <p>5 with individual products. That's sort of -- I'm</p> <p>6 telling you my aspirational goal here, when we --</p> <p>7 what we're going to try and do here.</p> <p>8 So, for example, we've talked about -- and</p> <p>9 I want to focus on Supply Chain Management, and</p> <p>10 within that I want to focus on either the</p> <p>11 applications or modules that a customer might</p> <p>12 license within that software solution, okay?</p> <p>13 A Okay.</p> <p>14 Q I understood you to say earlier that you</p> <p>15 differentiated between applications and modules</p> <p>16 based on how they're sold, correct?</p> <p>17 A Yes.</p> <p>18 Q And so there's a price that's associated</p> <p>19 with an application in your view but not with a</p> <p>20 module, correct?</p> <p>21 A Correct.</p> <p>22 Q Okay. The Requisitions Self-Service was an</p> |

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| <p>205</p> <p>1 application. The requisitions software was a</p> <p>2 module, correct?</p> <p>3 A Yes.</p> <p>4 Q What -- if I wanted the requisitions</p> <p>5 module, what application does it fall within?</p> <p>6 A It falls within procurement.</p> <p>7 Q Okay. Can we turn back to that</p> <p>8 presentation you made at page '238 that had the</p> <p>9 Lawson S3 Supply Chain Management Suite. Which was</p> <p>10 at -- yeah, sorry. '238. Are you with me?</p> <p>11 A Yes.</p> <p>12 Q Are the software -- is this presenting it</p> <p>13 at the -- at the software application level, these</p> <p>14 various products within the Supply Chain Management</p> <p>15 Suite?</p> <p>16 A Yes.</p> <p>17 Q Okay. So when I asked you about the</p> <p>18 requisition module, it was within the Lawson</p> <p>19 Procurement application, correct?</p> <p>20 A Yes.</p> <p>21 Q All right. I believe we established this</p> <p>22 morning, when I asked you what are the minimum</p> | <p>207</p> <p>1 A So it's fair in most -- most cases that</p> <p>2 it'd only be part of Procurement application.</p> <p>3 Q Okay. I asked Mr. Frank this, and I want</p> <p>4 to see if it's consistent with your understanding.</p> <p>5 I could look at a particular customer and be able to</p> <p>6 obtain revenue -- information with respect to</p> <p>7 revenues generated by that customer at the</p> <p>8 application level; is that correct?</p> <p>9 A Yes.</p> <p>10 Q So, again, just focusing on Supply Chain</p> <p>11 Management, if I wanted to know what particular</p> <p>12 customer ABC Corporation who had a Supply Chain</p> <p>13 Management solution, if I wanted to know the</p> <p>14 licensing revenues broken down by Supply Chain</p> <p>15 Management application, the maintenance revenues</p> <p>16 broken down for that particular customer, ABC</p> <p>17 Corporation, by application, I could find that</p> <p>18 information available at Lawson by conducting some</p> <p>19 sort of search query?</p> <p>20 A I believe so.</p> <p>21 Q Is that true or not true of the service</p> <p>22 revenues associated with a particular application in</p> |
| <p>206</p> <p>1 applications I need within a Supply Chain Management</p> <p>2 in order to purchase goods, and I thought you</p> <p>3 identified -- one was, I thought was inventory</p> <p>4 control and one was purchase order. Is that right?</p> <p>5 A Yes.</p> <p>6 Q Okay. But those modules are only offered</p> <p>7 as part of the Lawson Procurement application, isn't</p> <p>8 that right, or do you sell them separately?</p> <p>9 A Today we sell them only as part of</p> <p>10 procurement.</p> <p>11 Q Today you mean 2009?</p> <p>12 A 2009.</p> <p>13 Q Do you know -- so that's just at some point</p> <p>14 in time prior to 2009 you were selling them as</p> <p>15 separate components?</p> <p>16 A Yes.</p> <p>17 Q Do you know approximately when that was?</p> <p>18 A 2006 and prior.</p> <p>19 Q So since 2007 it's fair to say that those</p> <p>20 product offerings purchase order and inventory</p> <p>21 control have only been part of the Lawson</p> <p>22 Procurement application?</p> | <p>208</p> <p>1 the Supply Chain Management Suite?</p> <p>2 A My understanding is we don't have that</p> <p>3 services revenue broken down by that same level of</p> <p>4 granularity.</p> <p>5 Q Okay. Is there any way to determine what</p> <p>6 value should be attributable to services at a -- a</p> <p>7 suite level like Supply Chain Management versus</p> <p>8 financial management?</p> <p>9 A I don't know if there is.</p> <p>10 Q Okay. Let me ask you the question a little</p> <p>11 differently. I'm a customer of Lawson's and I want</p> <p>12 Supply Chain Management, you know, whatever module</p> <p>13 or application bundle I choose, and I also want</p> <p>14 financial management, and there are going to be</p> <p>15 services that I'm going to also want associated with</p> <p>16 those two product suite offerings. Okay?</p> <p>17 Would it be fair to say that I could just</p> <p>18 attribute 50 percent to the servicing revenue to the</p> <p>19 financial management and 50 percent of the servicing</p> <p>20 revenue to the Supply Chain Management, if those</p> <p>21 were the only two product suites I had?</p> <p>22 MS. HUGHEY: Objection, vague. Foundation.</p> |

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| <p>209</p> <p>1 THE WITNESS: I don't -- don't believe you</p> <p>2 could.</p> <p>3 THE VIDEOGRAPHER: Excuse me. I'm starting</p> <p>4 to get a lot of interference from someone's</p> <p>5 BlackBerry.</p> <p>6 MR. ROBERTSON: It's in my pocket. I</p> <p>7 apologize.</p> <p>8 BY MR. ROBERTSON:</p> <p>9 Q All right. Why not?</p> <p>10 A Our services are provided on a time and</p> <p>11 materials basis, so it would depend upon the</p> <p>12 customer and the project how much services they were</p> <p>13 purchasing related to any particular area.</p> <p>14 Q All right. Someone, though, needs to</p> <p>15 record the time and material for those services in</p> <p>16 order to bill the customer, correct?</p> <p>17 A Yes.</p> <p>18 Q Would there be a record that indicates that</p> <p>19 the services were attributable to, for example,</p> <p>20 debugging the financial management suite solution as</p> <p>21 opposed to the Supply Chain Management Suite</p> <p>22 solution?</p> | <p>211</p> <p>1 Q Okay. Another example?</p> <p>2 A Application configuration.</p> <p>3 Q Okay. Anything else?</p> <p>4 A Training.</p> <p>5 Q Okay.</p> <p>6 A And, you know, best practice assessments.</p> <p>7 THE VIDEOGRAPHER: I'm sorry. I'm still</p> <p>8 getting some interference.</p> <p>9 MR. ROBERTSON: I'll turn this off.</p> <p>10 BY MR. ROBERTSON:</p> <p>11 Q Last thing you mentioned was training and</p> <p>12 then best practice assessments. Anything else?</p> <p>13 A Application management.</p> <p>14 Q Okay. Anything else?</p> <p>15 A Those are the areas that -- that come to</p> <p>16 mind.</p> <p>17 Q When you do an application configuration,</p> <p>18 aren't you going to know whether the configuration</p> <p>19 is for the Supply Chain Management versus the</p> <p>20 financial management?</p> <p>21 A Yes.</p> <p>22 Q And when I do a best practice assessment,</p> |
| <p>210</p> <p>1 A I don't know how -- how the time's</p> <p>2 recorded.</p> <p>3 Q All right. Would it be fair to say,</p> <p>4 though, if the only product suite I had for an S3</p> <p>5 product line was Supply Chain Management and the</p> <p>6 particular applications within that, that's all I</p> <p>7 had, that 100 percent of the servicing revenue</p> <p>8 associated with assisting that customer could be</p> <p>9 attributed to Supply Chain Management and no other?</p> <p>10 A No.</p> <p>11 Q Why is that?</p> <p>12 A Because if you only had Supply Chain</p> <p>13 Management, you'd also have to install the</p> <p>14 technology layer, and so part of it would be</p> <p>15 attributable to the technology foundation.</p> <p>16 Q What are some of the service -- services</p> <p>17 that Lawson provides with respect to its product</p> <p>18 suites? If you want to use Supply Chain Management,</p> <p>19 what are some of the things it charges for?</p> <p>20 A Installation.</p> <p>21 Q That falls under services?</p> <p>22 A Yes.</p> | <p>212</p> <p>1 would that be specific to a particular product</p> <p>2 suite?</p> <p>3 A Potentially.</p> <p>4 Q All right. Training, if I'm only being</p> <p>5 trained on the Supply Chain Management and not the</p> <p>6 financial management product suite, I could identify</p> <p>7 that the revenues associated with that service are</p> <p>8 attributable to one and not the other; isn't that</p> <p>9 right?</p> <p>10 A Yes.</p> <p>11 Q Does the company have online assistance for</p> <p>12 specific product suites?</p> <p>13 A Can you explain what you mean by online</p> <p>14 assistance?</p> <p>15 Q Yeah. I mean if I'm having a product -- if</p> <p>16 I'm having a problem with my particular product and</p> <p>17 I want to go and access a guide that might assist me</p> <p>18 in working out some of the issues, is that available</p> <p>19 to me as a customer?</p> <p>20 A Yes.</p> <p>21 Q Does the company charge for that or is it a</p> <p>22 free service?</p> |

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| <p>213</p> <p>1 A Yes, they charge for it.</p> <p>2 Q Okay. Does the company have live human</p> <p>3 beings that they can contact if they're having</p> <p>4 problems with it and want to speak to a</p> <p>5 representative who can walk them through the</p> <p>6 problems?</p> <p>7 A Yes.</p> <p>8 Q And does the company charge for that?</p> <p>9 A Yes.</p> <p>10 Q Do they charge that on a time and material</p> <p>11 basis, or do they -- does someone just say I want</p> <p>12 the 24/7 live human being assistance?</p> <p>13 A Well, neither of those.</p> <p>14 Q What do they do, if they want that</p> <p>15 availability?</p> <p>16 A They purchase a maintenance package.</p> <p>17 Q Okay. Now, we've been talking about</p> <p>18 servicing revenue.</p> <p>19 A Yes.</p> <p>20 Q What's -- what's the maintenance revenue?</p> <p>21 That's different from those examples you gave me,</p> <p>22 like application configuration and best practices,</p> | <p>215</p> <p>1 That account executive will put together a</p> <p>2 whole recommendation for me as to what applications</p> <p>3 will fit my needs, right?</p> <p>4 A Yes.</p> <p>5 Q And then based on that, will a maintenance</p> <p>6 plan be devised that will correspond to the</p> <p>7 particular applications I -- I selected?</p> <p>8 A Yes.</p> <p>9 Q Okay. I've seen -- I think there are</p> <p>10 various maintenance plans that are known as gold and</p> <p>11 silver, something else. Are you familiar with that?</p> <p>12 A Yes.</p> <p>13 Q Is that maintenance or service?</p> <p>14 A Maintenance.</p> <p>15 Q Okay. Now, maintenance we said we can</p> <p>16 attribute to a particular software solution, right?</p> <p>17 A Yes.</p> <p>18 Q At the -- even down to the application</p> <p>19 level, but not the module level, right?</p> <p>20 A Correct.</p> <p>21 Q Just let's focus on Supply Chain</p> <p>22 Management.</p> |
| <p>214</p> <p>1 and et cetera.</p> <p>2 A Maintenance is the -- the online support</p> <p>3 that you mentioned, so access to a person to call in</p> <p>4 or a chat, if you're having a problem with your</p> <p>5 application, access to, you know, documentation</p> <p>6 online. That's part of the maintenance agreement.</p> <p>7 Q What -- what else falls within the rubric</p> <p>8 of maintenance as opposed to service?</p> <p>9 A Patches and fixes, new versions, regulatory</p> <p>10 updates for the products, access to -- access to</p> <p>11 some hot topic webinars performed by support on</p> <p>12 particular product areas.</p> <p>13 Q So if I get a -- I'm a new customer and I</p> <p>14 want to get a Supply Chain Management solution and I</p> <p>15 sit down with one of your account executives and I</p> <p>16 walk through and I say here are going to be my</p> <p>17 needs. For example, I want to have 100 of my</p> <p>18 employees be able to do requisitions from their</p> <p>19 desktop or laptop computers, so I'm going to want</p> <p>20 Requisitions Self-Service, and I'm going to want to</p> <p>21 be able to go and reach external vendors through</p> <p>22 some sort of punchout process.</p> | <p>216</p> <p>1 A Mm-hmm.</p> <p>2 Q I buy various applications. Let's not</p> <p>3 concern ourselves with what particular they are</p> <p>4 right now. Is there a sort of a -- based on that</p> <p>5 application, does that dictate what -- the various</p> <p>6 maintenance plans that are available to me?</p> <p>7 A No.</p> <p>8 Q Okay. How is that determined?</p> <p>9 A They're standard -- standard maintenance</p> <p>10 plans.</p> <p>11 Q Okay. And what are -- what are the levels?</p> <p>12 I'm accurate when I say there's a gold level</p> <p>13 maintenance, right?</p> <p>14 A No.</p> <p>15 Q Okay. What is it?</p> <p>16 A Bronze and silver.</p> <p>17 Q And that's it?</p> <p>18 A That's -- that's what we offer today, yes.</p> <p>19 Q Okay. You don't want the gold-plated</p> <p>20 variety? Okay. Bronze and silver, is that standard</p> <p>21 as to what maintenance is available for bronze and</p> <p>22 what maintenance is available for silver?</p> |

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| <p>217</p> <p>1 A Yes.</p> <p>2 Q So I basically get two choices, right,</p> <p>3 gold -- excuse me -- bronze or silver?</p> <p>4 A Yes.</p> <p>5 Q And does it matter if -- does the price</p> <p>6 change if I'm getting more than one product suite?</p> <p>7 Going back to my example, if I've got the financial</p> <p>8 management and I've got the Supply Chain Management,</p> <p>9 is that going to impact the price of my bronze or my</p> <p>10 silver maintenance plan?</p> <p>11 A Just to clarify, you mean price --</p> <p>12 Q Yes, sir. I'm sorry.</p> <p>13 A -- you mean the total price or what do you</p> <p>14 mean?</p> <p>15 Q I mean, let's assume one scenario where I'm</p> <p>16 a customer and I'm going to get financial management</p> <p>17 product suite, whatever configuration, and Supply</p> <p>18 Chain Management product and that's one scenario,</p> <p>19 and I want to get a maintenance plan that's going to</p> <p>20 cover any problems I had with both those -- updates,</p> <p>21 patches, all those examples you gave me -- and</p> <p>22 suppose the other customer who only is going to have</p> | <p>219</p> <p>1 Q So in the situation I talked about where I</p> <p>2 had two product solutions versus one product</p> <p>3 solution, obviously it's going to cost more for the</p> <p>4 two product solutions than the one product solution</p> <p>5 and there's going to be some correlation between</p> <p>6 maintenance and the price of that total package as</p> <p>7 opposed -- as to this instance where there's a</p> <p>8 correlation between just the price of this -- this</p> <p>9 package?</p> <p>10 A Yes.</p> <p>11 Q Is there -- is that a set percentage for</p> <p>12 maintenance for either the silver or the bronze</p> <p>13 package?</p> <p>14 A There is a list price percentage for both.</p> <p>15 Q Let's just take a hypothetical so I</p> <p>16 understand this.</p> <p>17 A Mm-hmm.</p> <p>18 Q Prices aren't going to be -- let's just say</p> <p>19 for the Supply Chain Management it was \$10,000 for</p> <p>20 that product solution, and for the finance and</p> <p>21 Supply Chain Management over here it was \$20,000.</p> <p>22 For the silver plan here, it's going to be some</p> |
| <p>218</p> <p>1 Supply Chain Management and wants to get a</p> <p>2 maintenance package.</p> <p>3 Are those maintenance packages, as far as</p> <p>4 price go, going to be the same, notwithstanding that</p> <p>5 one customer has two product suites and the other</p> <p>6 customer only has one product suite?</p> <p>7 A The price that's used to calculate the</p> <p>8 maintenance fee is the same.</p> <p>9 Q And I guess I don't understand that answer.</p> <p>10 What -- what do you mean by that?</p> <p>11 A So let me just ask -- I'm not trying to be</p> <p>12 difficult.</p> <p>13 Q No.</p> <p>14 A -- just a clarification on the -- when</p> <p>15 you're asking price, are you using what's -- what's</p> <p>16 the rate for maintenance versus the total -- the</p> <p>17 total cost? That's what I'm trying to see what</p> <p>18 you're asking about.</p> <p>19 Q Let me ask it a different way then. Is</p> <p>20 maintenance calculated as a percentage of license</p> <p>21 fees?</p> <p>22 A Yes.</p> | <p>220</p> <p>1 percentage of the \$20,000 price and for the silver</p> <p>2 plan over here it's going to be some percentage of</p> <p>3 the \$10,000 price?</p> <p>4 A Yes.</p> <p>5 Q For silver plan, for example, on either is</p> <p>6 the percentage consistent? It's always the same?</p> <p>7 It just depends on what the overall pricing is of</p> <p>8 the product solutions you purchased?</p> <p>9 A The list price is -- is always the same.</p> <p>10 Q And so the only variance then is never</p> <p>11 going to be the percentage that the maintenance is</p> <p>12 going to be. It's just the -- the percentage of the</p> <p>13 license fee, however -- the size of the license fee?</p> <p>14 A No, not -- not unless a discount is</p> <p>15 approved on maintenance.</p> <p>16 Q You mean that's an exception to -- to the</p> <p>17 general rule?</p> <p>18 A To --</p> <p>19 Q Yeah, I'm sorry. Go ahead.</p> <p>20 A Are you asking on exception on what in</p> <p>21 particular?</p> <p>22 Q I didn't understand your answer because you</p> |

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| <p>221</p> <p>1 said, no, not unless a discount is approved. What</p> <p>2 I'm saying is -- do you know, for example, what the</p> <p>3 percentage is for the bronze plan for maintenance?</p> <p>4 A Yes.</p> <p>5 Q What is it?</p> <p>6 A 20 percent.</p> <p>7 Q Do you know what it is for the silver plan?</p> <p>8 A Yes.</p> <p>9 Q What is it?</p> <p>10 A 24 percent.</p> <p>11 Q So if I'm paying \$100,000 in license fees</p> <p>12 for the -- for whatever products I'm buying, product</p> <p>13 suites, financial management and Supply Chain</p> <p>14 Management, if I get the bronze plan, it's going to</p> <p>15 be 20,000?</p> <p>16 A Yes, unless they approved a discount on the</p> <p>17 maintenance.</p> <p>18 Q Okay. So that's an exception, where I</p> <p>19 specifically negotiate a discount for the</p> <p>20 maintenance?</p> <p>21 A Yes.</p> <p>22 Q But, generally, the -- the standard</p> | <p>223</p> <p>1 Q Why not? I thought you indicated there</p> <p>2 were price lists associated with the various</p> <p>3 solutions?</p> <p>4 A But we don't publish that price list to the</p> <p>5 prospect.</p> <p>6 Q Okay. But internally there's guidelines as</p> <p>7 to what the pricing should be for particular</p> <p>8 applications?</p> <p>9 A Yes.</p> <p>10 Q Okay. And those guidelines are down to the</p> <p>11 application level granularity?</p> <p>12 A Yes.</p> <p>13 MR. ROBERTSON: I just -- the other</p> <p>14 request, I don't think we've seen any internal</p> <p>15 pricing on -- you know, at the application level on</p> <p>16 Supply Chain Management. We'll go and do a search</p> <p>17 for it again, but if -- if you have that, that would</p> <p>18 be -- I think it would fall within our document</p> <p>19 requests and we'd request it, please.</p> <p>20 BY MR. ROBERTSON:</p> <p>21 Q Who -- who maintains the pricing</p> <p>22 information with respect to the specific</p> |
| <p>222</p> <p>1 percentage is going to apply?</p> <p>2 A Yes.</p> <p>3 Q Okay. Are discounts, negotiated discounts,</p> <p>4 common or uncommon?</p> <p>5 MS. HUGHEY: Objection, vague.</p> <p>6 THE WITNESS: Discounts on what area?</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q The maintenance.</p> <p>9 A My understanding is they're uncommon.</p> <p>10 Q Okay. Does the company have standardized</p> <p>11 pricing lists for its product suite solutions?</p> <p>12 A Yes.</p> <p>13 Q So if I just wanted to understand. You</p> <p>14 know, I meet with you and I tell you what my Supply</p> <p>15 Chain Management needs are, whether it's</p> <p>16 Requisitions Self-Service, whether it's just the --</p> <p>17 the Procurement application, there's going to be a</p> <p>18 set price that I can look at for each one of those</p> <p>19 applications?</p> <p>20 A As a -- as a prospect?</p> <p>21 Q Yes.</p> <p>22 A No.</p> | <p>224</p> <p>1 applications for Supply Chain Management?</p> <p>2 A Mikael Ageras.</p> <p>3 Q I'm sorry. The name again is?</p> <p>4 A Mikael Ageras.</p> <p>5 Q Okay. Where's he located?</p> <p>6 A I believe he's in Sweden.</p> <p>7 Q Sweden? Okay. And is that for -- we're</p> <p>8 talking here S3 as well, Supply Chain Management?</p> <p>9 A Yes, for S3.</p> <p>10 Q Okay. So as an account executive who's</p> <p>11 seeking -- you know, has a prospect, I have that</p> <p>12 information available to me, so I know what our sort</p> <p>13 of general pricing policy is, correct?</p> <p>14 A Yes.</p> <p>15 Q But I can then put together a proposal that</p> <p>16 may deviate from that pricing policy either up or</p> <p>17 down?</p> <p>18 A They can put together a proposal within the</p> <p>19 discount approvals structure.</p> <p>20 Q Okay. So they have certain discount</p> <p>21 approvals that are preapproved?</p> <p>22 A Yes.</p> |

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| <p>225</p> <p>1 Q Okay. If I want to deviate from those</p> <p>2 discount approvals, is there a process that I could</p> <p>3 do that by seeking approval of, you know, some</p> <p>4 management?</p> <p>5 A Yes.</p> <p>6 Q Again, I think I asked you. With</p> <p>7 maintenance, how common or uncommon is it that</p> <p>8 discounts are given off the internal standardized</p> <p>9 pricing policy for the software applications?</p> <p>10 A Common.</p> <p>11 Q Very common?</p> <p>12 A Yes.</p> <p>13 Q Okay. But at some point when a license</p> <p>14 agreement is entered into, the price is going to be</p> <p>15 set that the customer has to pay, and that</p> <p>16 information will be available so I can determine</p> <p>17 whether there was a deviation up or down with</p> <p>18 respect to the -- the standard pricing policy,</p> <p>19 correct?</p> <p>20 A Yes.</p> <p>21 Q I've also seen contracting revenue that has</p> <p>22 been tracked with respect to a particular software</p> | <p>227</p> <p>1 A That's correct.</p> <p>2 Q When an account executive is working with a</p> <p>3 prospect and is providing them with, you know,</p> <p>4 pricing information, you indicated that they -- they</p> <p>5 sometimes have authority to have discounts that</p> <p>6 they're preauthorized for, right?</p> <p>7 A Yes.</p> <p>8 Q Do they also have authority to go above the</p> <p>9 standard pricing?</p> <p>10 A I'm not certain.</p> <p>11 Q Do you know whether the deviations are</p> <p>12 always down in a discount and never up?</p> <p>13 A I don't know for certain.</p> <p>14 (Lohkamp Deposition Exhibit 19 was</p> <p>15 marked for identification and was attached to the</p> <p>16 deposition transcript.)</p> <p>17 BY MR. ROBERTSON:</p> <p>18 Q Let me show you what's been marked as -- is</p> <p>19 that Exhibit 19?</p> <p>20 MR. SPENDLOVE: Yes.</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q And just for the record, it's a document</p> |
| <p>226</p> <p>1 solution. You're familiar with that?</p> <p>2 A Yes.</p> <p>3 Q Okay. Contracting revenue -- strike that.</p> <p>4 Licensing revenue is a subset of</p> <p>5 contracting revenue, correct?</p> <p>6 A Yes.</p> <p>7 Q What -- what else would make up part of</p> <p>8 that contracting revenue in addition to licensing?</p> <p>9 Would it be the maintenance?</p> <p>10 A The -- no. No.</p> <p>11 Q What would it be?</p> <p>12 A The difference is in revenue recognition.</p> <p>13 Q And that's when -- when the revenue is</p> <p>14 booked?</p> <p>15 A Yes.</p> <p>16 Q And how is that determination made as to</p> <p>17 whether it's going to be booked from a range from</p> <p>18 zero to 100 percent and when that occurs?</p> <p>19 A I'm not familiar with what goes into that.</p> <p>20 Q Okay. But it's fair to say the company</p> <p>21 doesn't count that revenue twice, the contracting</p> <p>22 revenue and the licensing revenue; is that right?</p> | <p>228</p> <p>1 that's entitled "S3/SHCM Group Weekly Leadership</p> <p>2 Meeting," this one is dated Wednesday, July 29,</p> <p>3 2009. It says it's "First Quarter - Fiscal 2010,"</p> <p>4 and bears the Bates label LE 00351001 through '012.</p> <p>5 And my first question is, have you seen documents of</p> <p>6 this type before?</p> <p>7 A No.</p> <p>8 Q Okay. Just so we're clear, you understand</p> <p>9 that Lawson's fiscal year goes from June 1 to May 31</p> <p>10 of the following year?</p> <p>11 A Yes.</p> <p>12 Q So Lawson's fiscal year 2009 ended May 31,</p> <p>13 2009 and fiscal year 2010 began June 1, 2009?</p> <p>14 A Yes.</p> <p>15 Q That's all I have on that document, sir.</p> <p>16 In your role as a strategic consultant for</p> <p>17 S3 Supply Chain Management, do you have any input in</p> <p>18 the pricing for the product?</p> <p>19 A You mean as the product manager?</p> <p>20 Q I thought product strategist was your --</p> <p>21 A Product strategist, yeah.</p> <p>22 Q Yeah.</p> |

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| <p>229</p> <p>1 A Yes, I do.</p> <p>2 Q You make recommendations as to what</p> <p>3 specific price a particular application within the</p> <p>4 Supply Chain Management Suite should be offered at?</p> <p>5 A Yes.</p> <p>6 Q Who else besides yourself has a role in</p> <p>7 that determination?</p> <p>8 A I mean, as -- as the product strategist,</p> <p>9 I'm responsible for coming up with the pricing for</p> <p>10 the product.</p> <p>11 Q Okay. Have -- now that you've moved into</p> <p>12 fiscal year 2010, have you made -- recently made</p> <p>13 recommendations with respect to the pricing for the</p> <p>14 Supply Chain Management applications for this fiscal</p> <p>15 year?</p> <p>16 A No.</p> <p>17 Q Do you do it on an annualized basis?</p> <p>18 A No.</p> <p>19 Q When do you -- when's the last time you</p> <p>20 made a recommendation with respect to the particular</p> <p>21 pricing for applications in the Supply Chain</p> <p>22 Management Suite?</p> | <p>231</p> <p>1 Q Focusing for now just on either Lawson</p> <p>2 Procurement, Lawson Requisitions Self-Service,</p> <p>3 Lawson Procurement Punchout, and Lawson EDI or EDI</p> <p>4 Professional for Supply Chain Management, can you</p> <p>5 tell me what your memory is as to when the pricing</p> <p>6 points for those applications most recently changed?</p> <p>7 A From what I remember, the last time we</p> <p>8 changed the pricing points for these applications</p> <p>9 was in 2006.</p> <p>10 Q Okay. So from 2006 to the present, it's</p> <p>11 your best belief that the pricing on -- the standard</p> <p>12 policy pricing for all these applications has</p> <p>13 remained unchanged?</p> <p>14 A Yes, as best as I can recall.</p> <p>15 Q Okay. In 2006 were you the individual who</p> <p>16 made the recommendation as to what the price point</p> <p>17 should be for these four applications?</p> <p>18 A Yes.</p> <p>19 Q A probably unfair question, but you seem to</p> <p>20 be a fairly knowledgeable guy. Do you recall, for</p> <p>21 example, what the price point was for the Lawson</p> <p>22 Procurement application that you recommended in</p> |
| <p>230</p> <p>1 A In early 2008, before we released Contract</p> <p>2 Management and made recommendations on pricing for</p> <p>3 that application.</p> <p>4 Q When's the last time -- well, strike that.</p> <p>5 Is that the last price change that was made</p> <p>6 with respect to any application in the Supply Chain</p> <p>7 Management Suite?</p> <p>8 A I just remembered that we also did the new</p> <p>9 point of use application, so that came out in early</p> <p>10 2009. So we introduced pricing for point of use.</p> <p>11 Q Okay. Going back to that Exhibit 18 that</p> <p>12 had the breakout of the various Supply Chain</p> <p>13 Management applications, and one you just mentioned,</p> <p>14 for example point of use, isn't listed here,</p> <p>15 correct?</p> <p>16 A Correct.</p> <p>17 Q And I'm not so concerned with that one, to</p> <p>18 be quite candid with you, and I think you mentioned</p> <p>19 another one which was Contracting?</p> <p>20 A Contract management.</p> <p>21 Q And that is actually listed here, right?</p> <p>22 A Yes, it is.</p> | <p>232</p> <p>1 2006?</p> <p>2 A \$90,000 base.</p> <p>3 Q I'm sorry. \$90,000?</p> <p>4 A \$90,000 base price.</p> <p>5 Q Okay. Let me -- what was the recommended</p> <p>6 base price for the Lawson Requisitions Self-Service</p> <p>7 that you made in 2006?</p> <p>8 A 40,000.</p> <p>9 Q The recommendation you made for the Lawson</p> <p>10 Procurement Punchout in 2006?</p> <p>11 A 35,000.</p> <p>12 Q And the Lawson EDI and EDI Professional for</p> <p>13 Supply Chain Management, is that two separate</p> <p>14 products or one?</p> <p>15 A They're two -- they're two separate</p> <p>16 products.</p> <p>17 Q Two different price points?</p> <p>18 A Yes.</p> <p>19 Q Do you recall what they were?</p> <p>20 A You know, I don't recall exactly.</p> <p>21 Q Okay. Do you know whether or not those</p> <p>22 recommendations were, in fact, adopted?</p> |

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| <p>233</p> <p>1 A Yes.</p> <p>2 Q Now, you said, when I asked you about the</p> <p>3 Lawson Procurement, you said it was -- there was a</p> <p>4 base price of \$90,000. Does that price increase if</p> <p>5 there are other factors involved?</p> <p>6 A Yes.</p> <p>7 Q Okay. What would some of the factors be</p> <p>8 that would cause the price to be increased?</p> <p>9 A Number of users.</p> <p>10 Q Okay. So for -- let's just focus on Lawson</p> <p>11 Requisitions Self-Service. As I understood it,</p> <p>12 that's -- that's a self-service requisition</p> <p>13 application that could be used by multiple users,</p> <p>14 for example?</p> <p>15 A Yes.</p> <p>16 Q Okay. And the price would increase if it</p> <p>17 was only 10 users versus 100 users?</p> <p>18 A No.</p> <p>19 Q Okay. Is there some standard formula for</p> <p>20 increasing the price based on the number of users?</p> <p>21 A Yes.</p> <p>22 Q Okay. What's the formula?</p> | <p>235</p> <p>1 just be for the first hundred users?</p> <p>2 A That's correct.</p> <p>3 Q Can you give me an understanding or an idea</p> <p>4 as to the order of magnitude that occurs when I get</p> <p>5 up to something like 5,000 users? It's not 50 times</p> <p>6 a hundred, right? It's not 50 times 40,000?</p> <p>7 A No. No. The price per user is going to</p> <p>8 be, you know, anywhere from -- I don't know the --</p> <p>9 can't remember the exact number, but it's in the</p> <p>10 hundred-and-something per additional user.</p> <p>11 Q But there's a document somewhere on this</p> <p>12 pricing policy that will show that exactly as I</p> <p>13 asked towards number of users; is that right?</p> <p>14 A Yes.</p> <p>15 Q And would that be a document that was held</p> <p>16 by the gentleman in Sweden that you identified for</p> <p>17 me?</p> <p>18 A Yes, he has that.</p> <p>19 Q Do you have it?</p> <p>20 A Yes, I do.</p> <p>21 Q Do you have it both for the standard</p> <p>22 pricing policy and for the escalating pricing policy</p> |
| <p>234</p> <p>1 A Well, the base -- base price includes 100</p> <p>2 users.</p> <p>3 Q Okay. For --</p> <p>4 A So --</p> <p>5 Q I'm sorry. For Requisitions Self-Service?</p> <p>6 A Requisitions Self-Service. So for 40,000</p> <p>7 you get 100 users, and then there's basically --</p> <p>8 each additional user is a certain amount with a</p> <p>9 couple, you know, breaks in terms of where the price</p> <p>10 per user goes down.</p> <p>11 Q So at some point I get to so many users</p> <p>12 that the price per user actually will -- the price</p> <p>13 will decrease?</p> <p>14 A Yes.</p> <p>15 Q The example we saw with that Trinity</p> <p>16 Hospital, which had Requisitions Self-Service, I</p> <p>17 think at one point I saw there was something like</p> <p>18 6500 users?</p> <p>19 A I don't recall the exact number.</p> <p>20 Q Okay. But that's not -- is that unusual?</p> <p>21 A Not for a large hospital.</p> <p>22 Q Okay. So the \$40,000 price, though, would</p> | <p>236</p> <p>1 depending on the users?</p> <p>2 A Those are the same.</p> <p>3 Q It would all be part of the same document?</p> <p>4 A It's the same price model.</p> <p>5 MR. ROBERTSON: Then, Rachel, you might not</p> <p>6 have to go to Sweden to obtain the document if -- if</p> <p>7 Mr. Lohkamp has it.</p> <p>8 (Lohkamp Deposition Exhibit 20 was</p> <p>9 marked for identification and was attached to the</p> <p>10 deposition transcript.)</p> <p>11 BY MR. ROBERTSON:</p> <p>12 Q But, okay. I think I marked this as</p> <p>13 Exhibit 20, and I'd ask you to take a look at that</p> <p>14 for a second, sir.</p> <p>15 MR. ROBERTSON: Does Rachel have a copy?</p> <p>16 BY MR. ROBERTSON:</p> <p>17 Q And while we're doing that, let me identify</p> <p>18 it. It says it's a Lawson S3 Requisitions</p> <p>19 Self-Service Procurement Punchout and EDI</p> <p>20 Contracting Summary, and it has the name of Keith</p> <p>21 Lohkamp on it, and it has a Bates label of LE</p> <p>22 00288631 through '633.</p> |

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| <p>237</p> <p>1 And my first question is, sir, have you</p> <p>2 seen this document before?</p> <p>3 A Yes, I have.</p> <p>4 Q And were you the author of the document?</p> <p>5 A Yes, I was.</p> <p>6 Q And it's updated for Q4 fiscal year '09,</p> <p>7 and so would that be the quarter from -- is that</p> <p>8 March 1, '09 through May 31, '09?</p> <p>9 A Yes.</p> <p>10 Q And when we were talking about contracting</p> <p>11 revenue before, that's the same term that's being</p> <p>12 used in this document as we were discussing it?</p> <p>13 A Yes, as I was discussing it, this is what I</p> <p>14 meant.</p> <p>15 Q And that -- again, by what you meant with</p> <p>16 that is when the company books revenue associated</p> <p>17 with a particular licensing deal, correct?</p> <p>18 A Um --</p> <p>19 Q Well, strike that.</p> <p>20 A Yeah.</p> <p>21 Q I'm sorry. Let me just ask you the</p> <p>22 question.</p> | <p>239</p> <p>1 Q Okay. So turning to the first page of this</p> <p>2 document that ends with the Bates label '632, are</p> <p>3 these the -- is this a summary of the contracting</p> <p>4 revenue for these applications over the period from</p> <p>5 fiscal year 2006 through fiscal year 2009?</p> <p>6 A Yes.</p> <p>7 Q And above the dollar figures -- let's just</p> <p>8 take an example. The line item that's Requisitions</p> <p>9 Self-Service, do you see that?</p> <p>10 A Yes.</p> <p>11 Q Fiscal year '06 has the number 58. Is that</p> <p>12 the number of contracts that were entered into for</p> <p>13 Requisitions Self-Service in fiscal year 2006?</p> <p>14 A Yeah. Yes, it is.</p> <p>15 Q You hesitated. Is there --</p> <p>16 A Well, the -- based on the -- the -- the</p> <p>17 numbers I get from finance, this is a summary I put</p> <p>18 together.</p> <p>19 Q Okay. I mean, it's to the best of your</p> <p>20 knowledge --</p> <p>21 A To the best of my knowledge, it's accurate.</p> <p>22 Q -- it's accurate information?</p> |
| <p>238</p> <p>1 A Yeah.</p> <p>2 Q What do you understand the contracting</p> <p>3 revenues to be that are contained in this document</p> <p>4 that you authored?</p> <p>5 A This is the value of the contract that</p> <p>6 was -- that was signed in that quarter.</p> <p>7 Q Okay. And it's the value as the company</p> <p>8 realizes that revenue; is that right?</p> <p>9 A No.</p> <p>10 Q What is it? The value as -- as the company</p> <p>11 books it?</p> <p>12 A As -- as the company -- the value of the</p> <p>13 contract but is not -- may not be recognized</p> <p>14 revenue.</p> <p>15 Q The contracting revenue doesn't include</p> <p>16 maintenance revenue for the particular application,</p> <p>17 correct?</p> <p>18 A No, it does not.</p> <p>19 Q And it wouldn't attribute -- it wouldn't</p> <p>20 include service revenues because they're not broken</p> <p>21 down by application, correct?</p> <p>22 A Correct.</p> | <p>240</p> <p>1 A But certainly on -- as we get to newer</p> <p>2 quarters, I sometimes get preliminary numbers that</p> <p>3 have the possibility of changing.</p> <p>4 Q There --</p> <p>5 A So -- so this is to the best of my</p> <p>6 knowledge based on the information I -- I have.</p> <p>7 Q Well, I've seen some documentation that</p> <p>8 talks about projections of what sales will be during</p> <p>9 a certain quarter. Are you familiar with that?</p> <p>10 A I'm not familiar with the document you're</p> <p>11 referring to.</p> <p>12 Q There's a weekly CEO report. Have you seen</p> <p>13 that document?</p> <p>14 A Yes, I have seen that document.</p> <p>15 Q That document contains only projections I</p> <p>16 thought; is that accurate?</p> <p>17 A I don't -- don't recall.</p> <p>18 Q Okay.</p> <p>19 A No.</p> <p>20 Q Do you know whether this document was</p> <p>21 prepared after the close of fiscal year 2009?</p> <p>22 A Yes, it was.</p> |

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| <p>241</p> <p>1 Q So through fiscal year 2009, assuming that</p> <p>2 the source that you obtained this from was accurate,</p> <p>3 this shows me the price broken out for each one of</p> <p>4 these applications under -- for Supply Chain</p> <p>5 Management, correct?</p> <p>6 A No. You asked me the price. It shows</p> <p>7 total -- total contracting.</p> <p>8 Q It shows contracting revenue?</p> <p>9 A The contracting amount, yes.</p> <p>10 Q All right. Let me restate the question so</p> <p>11 it's clear on the record. This chart shows me the</p> <p>12 contracting revenue that was realized by the company</p> <p>13 for these applications identified here for fiscal</p> <p>14 year 2006 through fiscal year 2009, correct?</p> <p>15 A What do you mean by realized?</p> <p>16 Q The money it received.</p> <p>17 A Yeah, I don't -- don't know if they</p> <p>18 received the money on all these contracts.</p> <p>19 Q But this was the money that if I look at</p> <p>20 the actual contracts, was -- was the agreement was</p> <p>21 entered into?</p> <p>22 A Yes.</p> | <p>243</p> <p>1 Q The number -- going back to the line item</p> <p>2 Requisitions Self-Service number 58, what does the</p> <p>3 number 58 stand for? What is that supposed to be</p> <p>4 capturing?</p> <p>5 A The number 58 is capturing the number of --</p> <p>6 of contracts for Requisitions Self-Service.</p> <p>7 Q Just looking at -- actually, why isn't --</p> <p>8 why isn't the Lawson Procurement application listed</p> <p>9 here on -- on the line item?</p> <p>10 A Because I put this together partly to share</p> <p>11 with the development group that works on these</p> <p>12 applications.</p> <p>13 Q Oh, I see.</p> <p>14 A They don't work on that application.</p> <p>15 Q Okay. So then that raises a good point.</p> <p>16 This is not attempting to depict the total revenues</p> <p>17 that constitute the contracting for all of the</p> <p>18 Supply Chain Management applications, correct?</p> <p>19 A Yes.</p> <p>20 Q It's not attempting to do that?</p> <p>21 A It's not attempting to do that.</p> <p>22 Q And why were you putting this together for</p> |
| <p>242</p> <p>1 Q I mean, we don't know whether someone</p> <p>2 failed to pay after they entered into a contract,</p> <p>3 right?</p> <p>4 A Correct.</p> <p>5 Q Okay. But someone just looking at the</p> <p>6 contract and saying if they fulfilled their</p> <p>7 obligation under the contract, we should receive</p> <p>8 this amount of money for 58 contracts involving</p> <p>9 Requisitions Self-Service; is that right?</p> <p>10 A Yes.</p> <p>11 Q I've seen certain pie charts that are</p> <p>12 broken down into revenues received for licensing</p> <p>13 versus maintenance versus services. Have you seen</p> <p>14 similar pie charts?</p> <p>15 A I don't --</p> <p>16 Q Recall it?</p> <p>17 A -- don't recall it, yeah.</p> <p>18 Q Let me ask you this. Would it be fair to</p> <p>19 say that the maintenance revenues are typically</p> <p>20 greater than the licensing revenues for a particular</p> <p>21 application?</p> <p>22 A Yes.</p> | <p>244</p> <p>1 that group, individuals?</p> <p>2 A I like to share how well the product's</p> <p>3 doing with the development team.</p> <p>4 Q Do you know whether the company would have</p> <p>5 in its records the ability to generate a chart that</p> <p>6 had the contracting revenue associated with all of</p> <p>7 the applications that fall within the Supply Chain</p> <p>8 Management product suite by fiscal year in summary</p> <p>9 format like this?</p> <p>10 A I'm not certain if they'd be able to do it</p> <p>11 for every fiscal year.</p> <p>12 Q Who did you go to to obtain this</p> <p>13 information again?</p> <p>14 A I received this from Heidi Winters.</p> <p>15 Q Heidi Winters?</p> <p>16 A Yes.</p> <p>17 Q Who does she work for?</p> <p>18 A She works for Mary Jo Tincher.</p> <p>19 Q Name I've heard before, and Ms. Tincher,</p> <p>20 what -- what group does she work for?</p> <p>21 A I -- I believe she -- I don't remember her</p> <p>22 exact group she works for. I believe she works for</p> |

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| <p style="text-align: right;">245</p> <p>1 sales operations.</p> <p>2 Q Okay. Do you know how Heidi Winters went</p> <p>3 about collecting this information?</p> <p>4 A I don't know exactly how she -- she did it.</p> <p>5 Q I would assume though there's a database</p> <p>6 that she could query for these particular</p> <p>7 applications to come up with the number of contracts</p> <p>8 and the revenues associated with the contract for a</p> <p>9 particular fiscal year, right?</p> <p>10 A Yes, I believe so.</p> <p>11 MR. ROBERTSON: Can we take a short break</p> <p>12 and see where we are?</p> <p>13 THE VIDEOGRAPHER: Going off the record.</p> <p>14 The time is 4:21 p.m.</p> <p>15 (Recess.)</p> <p>16 THE VIDEOGRAPHER: Back on the record. The</p> <p>17 time is 4:31 p.m.</p> <p>18 (Lohkamp Deposition Exhibit 21 was</p> <p>19 marked for identification and was attached to the</p> <p>20 deposition transcript.)</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q Hi. Mr. Lohkamp, thanks. I handed you</p> | <p style="text-align: right;">247</p> <p>1 Procurement Punchout.</p> <p>2 Q Did you actually have a session where you</p> <p>3 taught them the features and functionality of</p> <p>4 Requisitions Self-Service and Procurement Punchout?</p> <p>5 A Yes.</p> <p>6 Q Do you recall approximately when that might</p> <p>7 have occurred? Was it on or about October 19 --</p> <p>8 A On or about October 19 --</p> <p>9 Q -- 2007?</p> <p>10 A Yes.</p> <p>11 Q We have to be careful about talking over</p> <p>12 each other.</p> <p>13 A Sorry.</p> <p>14 Q A lot of this stuff is repetitive of what</p> <p>15 we've seen before, so I don't want to go through it</p> <p>16 all, but if you'll look at the page that ends '087,</p> <p>17 It's towards the back of the document.</p> <p>18 A Okay.</p> <p>19 Q Like, three or four pages from the end.</p> <p>20 It's the page that says, "Packaging and Pricing."</p> <p>21 Do you see that?</p> <p>22 A Yes.</p> |
| <p style="text-align: right;">246</p> <p>1 which -- a document which I marked as an exhibit,</p> <p>2 and I forget which one. What number is it?</p> <p>3 A 21.</p> <p>4 Q Exhibit 21, and it is a document entitled</p> <p>5 "Lawson S3 Requisitions Self-Service and Procurement</p> <p>6 Punchout Field Enablement," dated October 19, 2007,</p> <p>7 bears the name of a Burke Stucker and your name,</p> <p>8 sir, and it has the Bates label of L 0135034 through</p> <p>9 '092 and my first question would be, have you seen</p> <p>10 this document before?</p> <p>11 A Yes.</p> <p>12 Q And were you a co-author of the document?</p> <p>13 A Yes.</p> <p>14 Q Can you tell me whether this was for</p> <p>15 external or internal consumption?</p> <p>16 A Internal.</p> <p>17 Q And what was the purpose of putting this</p> <p>18 document together for internal consumption?</p> <p>19 A To train the sales and services team on</p> <p>20 features and what's new.</p> <p>21 Q Of?</p> <p>22 A Of Requisitions Self-Service and</p> | <p style="text-align: right;">248</p> <p>1 Q This isn't one of the pricing documents</p> <p>2 that you were talking about before, is it?</p> <p>3 A No.</p> <p>4 Q I mean, this document you created for</p> <p>5 purposes of this presentation to the internal</p> <p>6 employees of Lawson, correct?</p> <p>7 A Yes.</p> <p>8 Q But it summarizes, for example, the \$40,000</p> <p>9 base you mentioned as to Requisitions Self-Service</p> <p>10 pricing, correct?</p> <p>11 A Yes.</p> <p>12 Q Then there's the price you mentioned for</p> <p>13 the Procurement Punchout?</p> <p>14 A Correct.</p> <p>15 Q What's -- what's a decommission reminder?</p> <p>16 A It's a reminder of product versions that</p> <p>17 are no longer going to be supported.</p> <p>18 Q Is -- there's a decommission date of July</p> <p>19 31, 2008, it looks like, superimposed on Procurement</p> <p>20 Punchout 9.0.0.2, and it mentions webMethods there.</p> <p>21 You testified earlier that you stopped using</p> <p>22 webMethods as part of the Supply Chain Management</p> |

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| <p>249</p> <p>1 product. Is that why it's being decommissioned?</p> <p>2 A Yes.</p> <p>3 Q Okay. That's all I have for that document.</p> <p>4 Here's what I want to do, Mr. Lohkamp,</p> <p>5 before we end for the day. I understand that you've</p> <p>6 been designated by the company to testify as to</p> <p>7 certain topics that were identified in a deposition</p> <p>8 notice. Were you aware of that?</p> <p>9 A Yes.</p> <p>10 Q Okay. And you've had an opportunity to</p> <p>11 review that notice and the topics that are outlined</p> <p>12 therein?</p> <p>13 A Yes.</p> <p>14 Q Okay. What I'd like to do is mark those as</p> <p>15 exhibits, ask you to look at them, just walk through</p> <p>16 the topics, and then with each topic ask you what,</p> <p>17 if anything, you did in order to prepare yourself to</p> <p>18 provide responsive answers to questions involving</p> <p>19 those topics. Is that okay?</p> <p>20 A Yes.</p> <p>21 Q And when we're done with that, we'll be</p> <p>22 done for today, and I understand we're going to then</p> | <p>251</p> <p>1 marked for identification and was attached to the</p> <p>2 deposition transcript.)</p> <p>3 BY MR. ROBERTSON:</p> <p>4 Q Let me show you what's been marked as</p> <p>5 Lohkamp Exhibit 23 and ask you if you've seen that</p> <p>6 before.</p> <p>7 A Yes, I have.</p> <p>8 Q Okay. So just for the record, Lohkamp</p> <p>9 Deposition Exhibit 22 was Plaintiff ePlus, Inc.'s</p> <p>10 First Notice of Deposition Pursuant to Rule 30(b)(6)</p> <p>11 of the Federal Rules of Civil Procedure, and it</p> <p>12 doesn't have a date on it. Ah, there it is.</p> <p>13 September 23, 2009. Exhibit 23 was Plaintiff ePlus</p> <p>14 Inc.'s Second Notice of Deposition Pursuant to Rule</p> <p>15 30(b)(6), and it has a date of September 23, 2009 as</p> <p>16 well.</p> <p>17 And you'll see there's a lot of definitions</p> <p>18 included in there, and then it moves to the actual</p> <p>19 topics that ePlus has requested testimony with</p> <p>20 respect to. Why don't we take the first notice,</p> <p>21 which is Exhibit 22, and it starts at page 10.</p> <p>22 Okay. My understanding is that you have</p> |
| <p>250</p> <p>1 take a look at the demo computer, make sure we have</p> <p>2 no bugs with that so it comes off seamlessly</p> <p>3 tomorrow morning for the deposition. I think we'll</p> <p>4 spend an hour, hour and a half on that in the</p> <p>5 morning, and then I will move to these topics and</p> <p>6 we'll see if we can't get through them expeditiously</p> <p>7 so we can get you on that plane.</p> <p>8 A Okay.</p> <p>9 MR. ROBERTSON: Let's start with the first</p> <p>10 deposition notice, which --</p> <p>11 (Lohkamp Deposition Exhibit 22 was</p> <p>12 marked for identification and was attached to the</p> <p>13 deposition transcript.)</p> <p>14 BY MR. ROBERTSON:</p> <p>15 Q Let me show you what's been marked as</p> <p>16 Lohkamp deposition notice -- excuse me -- Exhibit 22</p> <p>17 and ask you if you've seen that before, sir.</p> <p>18 A Yes.</p> <p>19 Q Okay.</p> <p>20 MR. ROBERTSON: Why don't we mark the other</p> <p>21 one while we're at it.</p> <p>22 (Lohkamp Deposition Exhibit 23 was</p> | <p>252</p> <p>1 been designated to address Topics 1, 2, and 3 on</p> <p>2 page 10 of this first deposition notice; is that</p> <p>3 correct?</p> <p>4 A Yes.</p> <p>5 Q And turning over to page 11, Topics 5, 6,</p> <p>6 and 7 you've also been designated to address those</p> <p>7 topics; is that right?</p> <p>8 A Yes.</p> <p>9 Q Okay. And just turning for the moment to</p> <p>10 deposition -- second deposition notice, Exhibit 23,</p> <p>11 starting at page 13, am I correct that you</p> <p>12 understand that you've been designated to address</p> <p>13 the issues in Topics 17 and 18 of this notice?</p> <p>14 A Yes.</p> <p>15 Q Let's start with Topics 17 and 18 because</p> <p>16 it has to do sort of -- Topic 17 has to do with</p> <p>17 features and functionality of the applications we've</p> <p>18 been talking about today. All right?</p> <p>19 A Okay.</p> <p>20 Q You're familiar with the Procurement</p> <p>21 Punchout design, operation, functionality, et</p> <p>22 cetera, Lawson's Requisitions, Lawson Requisitions</p> |

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| <p>253</p> <p>1 Self-Service, and any other Lawson eProcurement</p> <p>2 products and services based on your daily duties and</p> <p>3 responsibilities as the product strategist for the</p> <p>4 S3 Supply Chain Management product, correct?</p> <p>5 A Yes.</p> <p>6 Q Okay. So you didn't need to go and consult</p> <p>7 anybody for purposes of providing testimony with</p> <p>8 respect to this topic, correct?</p> <p>9 A No. No.</p> <p>10 Q But did you, in fact, talk to anybody about</p> <p>11 the -- the topics that are outlined in -- in -- in</p> <p>12 No. 17?</p> <p>13 A Yes.</p> <p>14 Q Who'd you speak to?</p> <p>15 A I spoke with Jill Richardson.</p> <p>16 Q Who is Ms. Richardson?</p> <p>17 A She is a business analyst in development</p> <p>18 team.</p> <p>19 Q And why did you select Ms. Anderson (sic)</p> <p>20 to speak to with respect to these issues as to</p> <p>21 features and functionality of this electronic</p> <p>22 Procurement application?</p> | <p>255</p> <p>1 Q You feel that you're facile in moving about</p> <p>2 those applications when loaded on a laptop computer,</p> <p>3 for example?</p> <p>4 A I'm pretty good at it.</p> <p>5 Q Okay. How about the EDI capability that is</p> <p>6 an application that can form part of the Supply</p> <p>7 Chain Management; you're familiar with that as well?</p> <p>8 A Yes.</p> <p>9 Q Okay. Then why don't we leave the</p> <p>10 specifics of that topic for the demonstration</p> <p>11 tomorrow and any follow-up questions we might have.</p> <p>12 Topic No. 18 talks about the manner in</p> <p>13 which Lawson's customers are encouraged, aided,</p> <p>14 assisted, or instructed by Lawson to utilize or make</p> <p>15 use of the electronic sourcing and procurement</p> <p>16 systems, including any encouragement, aid,</p> <p>17 assistance, instruction provided by Lawson</p> <p>18 subsequent to receiving the notices of the</p> <p>19 patents-in-suit.</p> <p>20 Do you see that?</p> <p>21 A Yes.</p> <p>22 Q As a preliminary question, let me ask you,</p> |
| <p>254</p> <p>1 A I spoke with Jill Richardson because she's</p> <p>2 the business analyst that works on the Requisitions</p> <p>3 Self-Service product and also is familiar with other</p> <p>4 procurement products.</p> <p>5 Q Did she tell you anything that you weren't</p> <p>6 aware of with respect to those products?</p> <p>7 A No.</p> <p>8 Q Okay. You've, in fact, been designated to</p> <p>9 provide us with a demonstration of an operational</p> <p>10 Lawson Procurement application, correct?</p> <p>11 A Yes.</p> <p>12 Q You understand how to use it, right?</p> <p>13 A Yes.</p> <p>14 Q You've used Requisitions Self-Service,</p> <p>15 correct?</p> <p>16 A Yes.</p> <p>17 Q And you've used Lawson Procurement module</p> <p>18 that would include Lawson Requisitions, right?</p> <p>19 A Yes.</p> <p>20 Q You've used the punchout capability,</p> <p>21 correct?</p> <p>22 A Yes.</p> | <p>256</p> <p>1 have you had occasion to look at the actual patents</p> <p>2 that are involved in this litigation?</p> <p>3 A Yes.</p> <p>4 Q Are you the named inventor on any patents?</p> <p>5 A No.</p> <p>6 Q Are you familiar with the structure of a</p> <p>7 patent?</p> <p>8 A Not really.</p> <p>9 Q Okay. Are you familiar with the fact that</p> <p>10 there are what are called claims at the back of a</p> <p>11 patent that define the property rights of the owner</p> <p>12 of the patent?</p> <p>13 MS. HUGHEY: Objection, calls for a legal</p> <p>14 conclusion.</p> <p>15 BY MR. ROBERTSON:</p> <p>16 Q On your general understanding of how it</p> <p>17 works.</p> <p>18 A Yeah, I don't recall what the -- the</p> <p>19 details on the patent document.</p> <p>20 Q Do you know if you looked at anything in</p> <p>21 the patent to try and understand what comprised the</p> <p>22 inventions that were disclosed there?</p> |

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| <p>257</p> <p>1 A Yes.</p> <p>2 Q I don't want you to reveal any</p> <p>3 communications you may have had with counsel with</p> <p>4 respect to your review, so let me just ask a</p> <p>5 preliminary question. Did you review the patents</p> <p>6 with the assistance of counsel? Just yes or no,</p> <p>7 not --</p> <p>8 A No.</p> <p>9 Q Okay. You reviewed them on your own?</p> <p>10 A Yes.</p> <p>11 Q How did you obtain them?</p> <p>12 A From our legal team.</p> <p>13 Q In-house legal counsel at Lawson or outside</p> <p>14 counsel?</p> <p>15 A I believe it was in -- in-house.</p> <p>16 Q Again, don't reveal any communications you</p> <p>17 may have had with in-house counsel, but were you</p> <p>18 given them, or did you ask for them?</p> <p>19 A I was given them.</p> <p>20 Q Okay. Once -- once you received them, what</p> <p>21 did you do with them?</p> <p>22 A I browsed through them.</p> | <p>259</p> <p>1 savings and expenditure reductions, price</p> <p>2 reductions, and economic benefits appreciated by</p> <p>3 Lawson customers for the electronic -- oh, I'm</p> <p>4 sorry.</p> <p>5 Are you on the same page with me?</p> <p>6 A I think I am now. Page 10?</p> <p>7 Q Page 10. I apologize. Let me start over.</p> <p>8 Topic No. 1 is generally addressed to cost savings,</p> <p>9 expenditure reductions, price reductions, and</p> <p>10 economic benefits realized by Lawson customers using</p> <p>11 the electronic Procurement applications we've been</p> <p>12 talking about today; fair characterization?</p> <p>13 A Yes.</p> <p>14 Q Okay. Did you need to speak anybody to be</p> <p>15 able to provide responsive answers to questions</p> <p>16 concerning those issues?</p> <p>17 A No, I did not.</p> <p>18 Q Okay. So you feel comfortable providing</p> <p>19 testimony based on your own experience with Lawson</p> <p>20 as to these issues?</p> <p>21 A Yes.</p> <p>22 Q Okay. Topic No. 2 talks about past and</p> |
| <p>258</p> <p>1 Q Okay. There are actually three patents</p> <p>2 involved in the litigation. Are you aware of that?</p> <p>3 A I don't remember all the details of them.</p> <p>4 Q Did you receive more than one, as you</p> <p>5 recall?</p> <p>6 A I believe I received more than one</p> <p>7 document.</p> <p>8 Q As a preliminary question for Topic No. 18,</p> <p>9 who, if anyone, at the company did you speak to to</p> <p>10 be able to provide responsive answers to questions</p> <p>11 involving the issues in that topic?</p> <p>12 A I didn't -- didn't really talk to anyone in</p> <p>13 particular on this topic.</p> <p>14 Q Okay. Are you familiar with efforts that</p> <p>15 Lawson makes to assist or instruct the customers in</p> <p>16 the use of these products that we've been discussing</p> <p>17 today?</p> <p>18 A Yes.</p> <p>19 Q Okay. Why don't we take a look at the</p> <p>20 first deposition notice, Exhibit 22. The first</p> <p>21 topic, why don't you just read it to yourself, and</p> <p>22 I'm just going to paraphrase it here about cost</p> | <p>260</p> <p>1 current costs, revenues, profits, losses, et cetera,</p> <p>2 by a product for these electronic procurement</p> <p>3 systems we've been talking about. Do you see that?</p> <p>4 A Yes.</p> <p>5 Q Okay. Did you need to talk to anybody to</p> <p>6 address costs, revenues, profits, and losses for the</p> <p>7 products that are at issue here?</p> <p>8 A Yes, I did.</p> <p>9 Q Who'd you speak to?</p> <p>10 A I spoke with Dale Christopherson.</p> <p>11 Q Who is -- is that a man or a woman?</p> <p>12 A It's a man.</p> <p>13 Q Okay. Mr. Christopherson, is he the</p> <p>14 gentleman who testified here yesterday and today, if</p> <p>15 you know?</p> <p>16 A Yes.</p> <p>17 Q Is -- why did you speak to</p> <p>18 Mr. Christopherson?</p> <p>19 A To get information on projected costs,</p> <p>20 development team.</p> <p>21 Q Do you have an understanding as you sit</p> <p>22 here today just off the top of your head the types</p> |

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| <p>261</p> <p>1 of profits that are associated with the various</p> <p>2 Procurement applications we've been talking about</p> <p>3 today?</p> <p>4 A I'm familiar with the -- the revenues, but</p> <p>5 not the details of all the profits.</p> <p>6 Q So you're not -- are you aware generally as</p> <p>7 a matter what the sort of profit margins are</p> <p>8 associated with these kind of Procurement</p> <p>9 applications we've been talking about?</p> <p>10 A No, I'm not.</p> <p>11 Q And again, I'd be -- I'd be surprised if</p> <p>12 you knew it off the top of your head, but would</p> <p>13 there be documentation you could discuss or identify</p> <p>14 for me in which the profits associated with these</p> <p>15 types of products would be identified?</p> <p>16 A I am not aware of a document I could talk</p> <p>17 to.</p> <p>18 Q Okay. Well, we'll get to that. Topic No.</p> <p>19 3 talks about licensing strategies, policies, forms,</p> <p>20 agreements, arrangements, et cetera, including</p> <p>21 reductions that we've been talking about with</p> <p>22 respect to these products. We touched a little bit</p> | <p>263</p> <p>1 able to discuss how I would -- how I would obtain</p> <p>2 information with respect to those licensing revenues</p> <p>3 or services for a particular customer involving</p> <p>4 those types of services that are being offered?</p> <p>5 A Not for -- not for all of the services.</p> <p>6 Q Okay. All right. Well, we'll break it</p> <p>7 down as we go through and see what we can find.</p> <p>8 Topic No. 6 talks about the scope, content,</p> <p>9 and participants for the market for electronic</p> <p>10 sourcing and procurement systems, including Lawson's</p> <p>11 share of the market. Stop right -- let's stop right</p> <p>12 there.</p> <p>13 A Mm-hmm.</p> <p>14 Q What, if anything, did you do to educate</p> <p>15 yourself as to Lawson's market for the types of</p> <p>16 Procurement applications we've been talking about</p> <p>17 here today?</p> <p>18 A I took a look at Gartner Supply Chain</p> <p>19 Management survey, market share survey. I also</p> <p>20 looked at -- I believe it was a Forrester market</p> <p>21 share survey. Those were the -- the two market</p> <p>22 share documents I looked at.</p> |
| <p>262</p> <p>1 on that today.</p> <p>2 Did you speak to anybody else to address</p> <p>3 these issues raised by Topic No. 3?</p> <p>4 A Yes, I did.</p> <p>5 Q And who would that be, sir?</p> <p>6 A I spoke with Tom Schultz.</p> <p>7 Q Okay. Who's Mr. Schultz?</p> <p>8 A He's VP of sales for healthcare.</p> <p>9 Q Okay. Anybody else?</p> <p>10 A No.</p> <p>11 Q All right. Topic No. 5 has to do with</p> <p>12 revenues, fees, costs, and profits associated with</p> <p>13 each Lawson electronic sourcing or procurement</p> <p>14 system, including services, for those products and</p> <p>15 services licensed to a customer involving Lawson S3</p> <p>16 Supply Chain Management and M3 Supply Chain</p> <p>17 Management, including implementation, installation,</p> <p>18 training, support, maintenance, and the licensing</p> <p>19 and contract terms and revenues generated, discounts</p> <p>20 provided for a particular customer.</p> <p>21 I don't expect you to have that all</p> <p>22 committed to memory, but are you in a position to be</p> | <p>264</p> <p>1 Q Okay. Did you have those in your</p> <p>2 possession, or did you have to go out and obtain</p> <p>3 those?</p> <p>4 A I had those in my possession.</p> <p>5 Q Do you know generally how recent those</p> <p>6 publications were?</p> <p>7 A I'm trying to remember exact date. I</p> <p>8 think --</p> <p>9 Q Just ballpark it for me. Within the last</p> <p>10 year or --</p> <p>11 A I think one was a 2008 for the previous</p> <p>12 year. I believe the other was a 2007.</p> <p>13 Q Okay. Topic No. -- excuse me -- 6 also</p> <p>14 talks about noninfringing alternatives to the</p> <p>15 patents-in-suit. Do you have an understanding of</p> <p>16 what that means?</p> <p>17 A No, I don't.</p> <p>18 Q Yeah, it's probably not a fair -- probably</p> <p>19 calls for a legal conclusion your counsel would tell</p> <p>20 you.</p> <p>21 Topic No. 7 talks about Lawson's</p> <p>22 competition with ePlus on these type of products.</p> |

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| <p>265</p> <p>1 We talked a little bit about that today and what</p> <p>2 knowledge you have. Did you -- what, if anything,</p> <p>3 did you do to prepare yourself in providing</p> <p>4 responsive answers to questions on that topic area?</p> <p>5 A I talked to another account executive,</p> <p>6 Megan Evans.</p> <p>7 Q Okay.</p> <p>8 A I also did a search of our competitive</p> <p>9 database.</p> <p>10 Q All right.</p> <p>11 A And I reviewed the Cleveland Clinic RFP.</p> <p>12 Q Okay. When you talked to Megan Evans, did</p> <p>13 she have any information as to Lawson's competition</p> <p>14 with ePlus?</p> <p>15 A No.</p> <p>16 Q When you did a search of your competitive</p> <p>17 database, did anything turn up with respect to</p> <p>18 ePlus?</p> <p>19 A I did not find anything with respect to</p> <p>20 ePlus.</p> <p>21 Q Where's the competitive database located?</p> <p>22 A I believe it's on the share point side on a</p> | <p>267</p> <p>1 Q What -- what competitive newsletter?</p> <p>2 A She sends out a summary of new topics that</p> <p>3 were added to the competitive database.</p> <p>4 Q So periodically a newsletter goes out</p> <p>5 within the company that identifies new things that</p> <p>6 have been added to the competitive database?</p> <p>7 A Yes.</p> <p>8 Q Is that done on a periodic basis?</p> <p>9 A On a periodic basis.</p> <p>10 Q On a weekly basis, monthly basis, quarterly</p> <p>11 basis, haphazard?</p> <p>12 A I'm not certain of the frequency.</p> <p>13 Q Okay. Is it sent out electronically?</p> <p>14 A Yes, it is.</p> <p>15 Q Okay. I'm not sure that we've seen that, a</p> <p>16 competitive newsletter that -- that updates the</p> <p>17 competitive database and provides new information.</p> <p>18 So just so I understand with respect to</p> <p>19 this competitive database, did someone do a search</p> <p>20 query for ePlus to see if it turned up any</p> <p>21 information?</p> <p>22 A I logged onto the database and did a search</p> |
| <p>266</p> <p>1 network.</p> <p>2 Q So it's available on an intranet to</p> <p>3 company -- company employees have authorization to</p> <p>4 log on to it?</p> <p>5 A Correct.</p> <p>6 Q And you have that authorization?</p> <p>7 A Yes, I do.</p> <p>8 Q Who provides the information that's kept in</p> <p>9 the competitive database?</p> <p>10 A It can come from a variety of sources.</p> <p>11 Q Do you provide information for it?</p> <p>12 A Yes, I have.</p> <p>13 Q Do you know, does somebody have</p> <p>14 responsibility for it?</p> <p>15 A Yes.</p> <p>16 Q Who would that be?</p> <p>17 A Kerri Joy.</p> <p>18 Q And where is Ms. Joy located?</p> <p>19 A I'm not sure where she's located.</p> <p>20 Q Okay. How do you know it's Ms. Joy?</p> <p>21 A Because she -- she sends out the</p> <p>22 competitive newsletter and makes request.</p> | <p>268</p> <p>1 for ePlus to see if anything showed up.</p> <p>2 Q You got no hits?</p> <p>3 A I got no hits.</p> <p>4 Q How did you identify the Cleveland Clinic</p> <p>5 bid that ePlus was in competition for?</p> <p>6 MS. HUGHEY: Objection, foundation.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q Did you just remember that from your</p> <p>9 discussion with Mr. -- was it Pogor?</p> <p>10 A From discussion with Mr. Weiss.</p> <p>11 Q Mr. Weiss. And refresh me. He was the</p> <p>12 account executive?</p> <p>13 A He was the solution consultant.</p> <p>14 Q So other than visiting that booth, other</p> <p>15 than your conversation with Mr. Weiss, those are the</p> <p>16 only sources of your information with respect to</p> <p>17 ePlus; is that right?</p> <p>18 A No. I also mentioned the Forrester</p> <p>19 eProcurement Wave.</p> <p>20 Q Oh, that's right. Okay. Thank you for</p> <p>21 reminding me.</p> <p>22 MR. ROBERTSON: Just let me ask a question,</p> |

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| <p style="text-align: right;">269</p> <p>1 Rachel. I thought there was another individual</p> <p>2 who's already -- was designated for this topic. Am</p> <p>3 I mistaken?</p> <p>4 MS. HUGHEY: Which topic are we talking</p> <p>5 about?</p> <p>6 MR. ROBERTSON: Let me -- let me clarify</p> <p>7 that, because I understood Ms. Albert was asking</p> <p>8 questions of a witness who had been designated for a</p> <p>9 specific notice and awareness of ePlus, but -- and I</p> <p>10 thought it was this topic, so maybe I don't need to</p> <p>11 waste Mr. Lohkamp's time but -- but, okay. I mean,</p> <p>12 I don't think it's going to take very much longer</p> <p>13 than we've already covered with him tomorrow on that</p> <p>14 particular issue.</p> <p>15 BY MR. ROBERTSON:</p> <p>16 Q Okay. That covers the topics you're</p> <p>17 designated for and we'll get into them substantively</p> <p>18 tomorrow. I'll try and move through them after we</p> <p>19 do the demonstration in the morning. All right?</p> <p>20 A Okay.</p> <p>21 Q So that's all I have for today. Thank you.</p> <p>22 A Thank you.</p> | <p style="text-align: right;">271</p> <p>1 * * *</p> <p>2 ACKNOWLEDGMENT OF DEPONENT</p> <p>3 I, Keith David Lohkamp, do hereby acknowledge</p> <p>4 that I have read and examined the foregoing</p> <p>5 testimony, and the same is a true, correct and</p> <p>6 complete transcription of the testimony given by me,</p> <p>7 and any corrections appear on the attached Errata</p> <p>8 sheet signed by me.</p> <p>9</p> <p>10 _____</p> <p>11 (DATE) (SIGNATURE)</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> |
| <p style="text-align: right;">270</p> <p>1 THE VIDEOGRAPHER: Here marks the end of</p> <p>2 Volume 1, Videotape No. 3 in the deposition of Keith</p> <p>3 Lohkamp. Going off the record. The time is 4:58,</p> <p>4 p.m.</p> <p>5 (Signature having not been discussed,</p> <p>6 the deposition of Keith David Lohkamp was adjourned</p> <p>7 at 4:58 p.m.)</p> <p>8 (The following Acknowledgement of</p> <p>9 Deponent Page is included in the event at the</p> <p>10 conclusion of Keith David Lohkamp's deposition he</p> <p>11 elects to read and sign his deposition transcript.)</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> | <p style="text-align: right;">272</p> <p>1 CERTIFICATE OF SHORTHAND REPORTER-NOTARY PUBLIC</p> <p>2 I, Joan V. Cain, Court Reporter, the officer</p> <p>3 before whom the foregoing deposition was taken, do</p> <p>4 hereby certify that the foregoing transcript is a</p> <p>5 true and correct record of the testimony given; that</p> <p>6 said testimony was taken by me stenographically and</p> <p>7 thereafter reduced to typewriting under my direction</p> <p>8 and that I am neither counsel for, related to, nor</p> <p>9 employed by any of the parties to this case and have</p> <p>10 no interest, financial or otherwise, in its outcome.</p> <p>11 IN WITNESS WHEREOF, I have hereunto set my</p> <p>12 hand and affixed my notarial seal this 27th day of</p> <p>13 October 2009.</p> <p>14</p> <p>15 My commission expires:</p> <p>16 June 14, 2014</p> <p>17 _____</p> <p>18 NOTARY PUBLIC IN AND FOR THE</p> <p>19 DISTRICT OF COLUMBIA</p> <p>20</p> <p>21</p> <p>22</p> |

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1 ERRATA SHEET

2 IN RE: ePlus, Inc. v. Lawson Software, Inc.

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1 ERRATA SHEET CONTINUED

2 IN RE: ePlus, Inc. v. Lawson Software, Inc.

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| <p>275</p> <p>1 UNITED STATES DISTRICT COURT</p> <p>2 FOR THE EASTERN DISTRICT OF VIRGINIA</p> <p>3 Richmond Division</p> <p>4 -----x</p> <p>5 ePLUS, INC.,)</p> <p>6 Plaintiff,)</p> <p>7 v.) Civil Action No.</p> <p>8 LAWSON SOFTWARE, INC.,) 3:09-cv-620(JRS),</p> <p>9 Defendant.)</p> <p>10 -----x</p> <p>11</p> <p>12 VIDEOTAPED DEPOSITION OF KEITH DAVID LOHKAMP</p> <p>13 INDIVIDUALLY AND AS CORPORATE DESIGNEE OF</p> <p>14 LAWSON SOFTWARE, INC.</p> <p>15 Washington, D.C.</p> <p>16 Wednesday, October 21, 2009</p> <p>17 9:06 a.m.</p> <p>18</p> <p>19</p> <p>20 Job No.: 1-165456</p> <p>21 Pages 275 - 437, Volume 2</p> <p>22 Reported By: Joan V. Cain</p> | <p>277</p> <p>1 A P P E A R A N C E S</p> <p>2</p> <p>3 ON BEHALF OF PLAINTIFF:</p> <p>4 SCOTT L. ROBERTSON, ESQUIRE</p> <p>5 JENNIFER A. ALBERT, ESQUIRE</p> <p>6 ROBERT D. SPENDLOVE, ESQUIRE</p> <p>7 GOODWIN PROCTER, LLP</p> <p>8 901 New York Avenue, Northwest</p> <p>9 Washington, D.C. 20001</p> <p>10 Telephone: (202) 346-4000</p> <p>11</p> <p>12 ON BEHALF OF DEFENDANT:</p> <p>13 RACHEL C. HUGHEY, ESQUIRE</p> <p>14 WILLIAM D. SCHULTZ, ESQUIRE</p> <p>15 MERCHANT & GOULD</p> <p>16 3200 IDS Center</p> <p>17 80 South Eighth Street</p> <p>18 Minneapolis, Minnesota 55402-2215</p> <p>19 Telephone: (612) 332-5300</p> <p>20</p> <p>21 ALSO PRESENT:</p> <p>22 Brian Mackey, Videographer</p> |
| <p>276</p> <p>1 Videotaped Deposition of KEITH DAVID LOHKAMP,</p> <p>2 individually and as corporate designee of LAWSON</p> <p>3 SOFTWARE, INC., held at the law offices of:</p> <p>4</p> <p>5 GOODWIN PROCTER, LLP</p> <p>6 901 New York Avenue, Northwest</p> <p>7 Washington, D.C. 20001</p> <p>8 (202) 346-4000</p> <p>9</p> <p>10 Pursuant to Notice, before Joan V. Cain,</p> <p>11 Certified Court Reporter and Notary Public in and</p> <p>12 for the District of Columbia.</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> | <p>278</p> <p>1 C O N T E N T S</p> <p>2</p> <p>3 EXAMINATION OF KEITH DAVID LOHKAMP PAGE</p> <p>4 By Ms. Albert 280</p> <p>5 By Mr. Robertson 335</p> <p>6 By Ms. Hughey 431</p> <p>7</p> <p>8 E X H I B I T S</p> <p>9 (Attached to the Transcript.)</p> <p>10 LOHKAMP DEPOSITION EXHIBITS PAGE</p> <p>11 Exh. 24 Form 10-K Report for the Fiscal Year 402</p> <p>12 Ending 5/31/09</p> <p>13 Exh. 25 Lawson S3 Applications Portfolio 381</p> <p>14 Product Report Cards, FY09 Q1 Year</p> <p>15 End and Forward Pipeline, 10/27/06</p> <p>16 Exh. 26 S3 and SHCM Price Configuration Setup 392</p> <p>17 Exh. 27 M3 Price Configuration Setup 411</p> <p>18 Exh. 28 Lawson Revenue Accounting Product 429</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> |

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| <p style="text-align: right;">279</p> <p>1 P R O C E E D I N G S</p> <p>2 THE VIDEOGRAPHER: Here begins Tape No. 1</p> <p>3 in the deposition of Keith Lohkamp, Volume 2, in the</p> <p>4 matter of ePlus, Incorporated versus Perfect</p> <p>5 Commerce, Incorporated, et al., in the United States</p> <p>6 District Court for the Eastern District of Virginia,</p> <p>7 Norfolk Division, Case No. 2:09-CV-232-HCM-TEM.,</p> <p>8 Today's date is October 21st, 2009. The</p> <p>9 time is 9:06 a.m. The video operator today is Brian</p> <p>10 Mackey. This deposition is taking place at the</p> <p>11 offices of Goodwin Procter, 901 New York Avenue,</p> <p>12 Northwest, Washington, D.C.</p> <p>13 Would counsel please identify themselves</p> <p>14 and state whom they represent.</p> <p>15 MS. ALBERT: Jennifer Albert with the law</p> <p>16 firm of Goodwin Procter representing the plaintiff</p> <p>17 ePlus, Incorporated.</p> <p>18 MR. SPENDLOVE: Robert Spendlove with the</p> <p>19 law firm of Goodwin Procter representing the</p> <p>20 plaintiff ePlus, Incorporated.</p> <p>21 MS. HUGHEY: Rachel Hughey with the law</p> <p>22 firm of Merchant & Gould representing Lawson</p> | <p style="text-align: right;">281</p> <p>1 Procurement application.</p> <p>2 Q Okay. Can you tell me how you've</p> <p>3 configured the Item Master as far as the fields that</p> <p>4 have been made searchable?</p> <p>5 A We have made the -- all of the keyword</p> <p>6 search fields searchable.</p> <p>7 Q Have you made any other fields searchable?</p> <p>8 A Those are the only fields that are</p> <p>9 searchable.</p> <p>10 Q Aren't there -- isn't there a program in</p> <p>11 order to make different fields of the Item Master</p> <p>12 searchable?</p> <p>13 A Yes, there is.</p> <p>14 Q What -- what has been selected as keywords</p> <p>15 that have been made searchable?</p> <p>16 A There's a list -- all the -- all the words</p> <p>17 that are available in that selection criteria, the</p> <p>18 screen, have been turned on.</p> <p>19 Q Can you log on to the system as -- in an</p> <p>20 administrator role?</p> <p>21 A Yes.</p> <p>22 Q Please do. And what screen is presented</p> |
| <p style="text-align: right;">280</p> <p>1 Software, Inc.</p> <p>2 MR. SCHULTZ: William Schultz of Merchant &</p> <p>3 Gould representing Lawson Software, Incorporated.</p> <p>4 THE VIDEOGRAPHER: The court reporter today</p> <p>5 is Joan Cain of L.A.D. Reporting. Would the</p> <p>6 reporter please swear in the witness.</p> <p>7 KEITH DAVID LOHKAMP</p> <p>8 having been duly sworn, was examined and did testify</p> <p>9 as follows:</p> <p>10 CONTINUED EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>11 BY MS. ALBERT:</p> <p>12 Q Good morning, Mr. Lohkamp. My name is</p> <p>13 Jennifer Albert.</p> <p>14 A Good morning.</p> <p>15 Q I just want to ask you some questions about</p> <p>16 the Lawson S3 system. What -- can you describe the</p> <p>17 system that you're about to demonstrate and how</p> <p>18 you've configured it today?</p> <p>19 A Yes. I'm about to -- I've got the Lawson</p> <p>20 S3 software system, the Supply Chain Management</p> <p>21 application, configured it to show Requisitions</p> <p>22 Self-Service and Procurement Punchout and the</p> | <p style="text-align: right;">282</p> <p>1 here?</p> <p>2 A This is the Portal.</p> <p>3 Q And what are the various tasks that can be</p> <p>4 performed through accessing this screen?</p> <p>5 A The tasks will vary based upon the access</p> <p>6 that the user has.</p> <p>7 Q So in your administrative role -- well,</p> <p>8 first -- strike that.</p> <p>9 Can you explain what's shown in the</p> <p>10 left-hand column under the Home tab? What are those</p> <p>11 various selections there?</p> <p>12 A The inbasket is my workflow area for</p> <p>13 approval. Jobs and Reports are shortcuts to reports</p> <p>14 or processes that I've run. These are shortcuts to</p> <p>15 our customer self-service application. These are</p> <p>16 shortcuts to our Procurement Card Self-Service</p> <p>17 application, these are shortcuts to the Requisitions</p> <p>18 Self-Service application, and these are shortcuts to</p> <p>19 the Vendor Self-Service application.</p> <p>20 Q And then in the middle section of the</p> <p>21 screen under the heading "Common Tasks," what are</p> <p>22 the various tasks that can be performed by clicking</p> |

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| <p>283</p> <p>1 on the hyperlinks under that section?</p> <p>2 A This is basically to be able -- these are</p> <p>3 set up for the Portal, so really kind of customizing</p> <p>4 the Portal for a particular user. So this is</p> <p>5 creating shortcuts for the Portal. This is</p> <p>6 basically adding additional bookmarks to the Portal.</p> <p>7 It's opening a Telnet session using Lawson Terminal.</p> <p>8 It's rebuilding forms index file, changing the data</p> <p>9 area if I wanted to create a custom form, deleting</p> <p>10 any custom form. This is clearing some of the</p> <p>11 cache, and this is searching KnowledgeBase.</p> <p>12 Q What would be stored in the cache that</p> <p>13 would need to be cleared, for example?</p> <p>14 A I don't know.</p> <p>15 Q Okay. Under the heading "Useful</p> <p>16 Information," can you describe what can be performed</p> <p>17 by clicking on the hyperlinks under that section.</p> <p>18 A These are help information for</p> <p>19 administration. This is the using -- help on using</p> <p>20 the Portal. This is help on setting up hotkeys.</p> <p>21 This is configuring the Portal for a user. This</p> <p>22 gives you access to information about the system</p> | <p>285</p> <p>1 are loaded to an agreement.</p> <p>2 Q So that agreement is associated with a</p> <p>3 particular supplier that the Lawson system user has</p> <p>4 entered into and has negotiated various prices with;</p> <p>5 is that correct?</p> <p>6 A Yes.</p> <p>7 Q Okay. What's the next step after you've</p> <p>8 named the agreement?</p> <p>9 A Select the options on how I'm going to run</p> <p>10 this.</p> <p>11 Q Go ahead and --</p> <p>12 A Okay. I already -- I have this set up to</p> <p>13 load the Vendor Agreement file, and this is an</p> <p>14 optional -- optional step, and this is to update the</p> <p>15 agreement with item numbers.</p> <p>16 Q What would happen if you would select yes</p> <p>17 to run Phase 2?</p> <p>18 A If I click yes to run Phase 2, I would use</p> <p>19 that to select a subset of items to add to the</p> <p>20 updates.</p> <p>21 Q What would happen if you selected yes to</p> <p>22 run Phase 3?</p> |
| <p>284</p> <p>1 environment. This is a single sign-on</p> <p>2 configuration, and this is for debugging software.</p> <p>3 Q Okay. In your administrator role, can you</p> <p>4 show me the process that would be used to import</p> <p>5 supplier catalog data using the batch program PO536?</p> <p>6 A Yes.</p> <p>7 Q Please do.</p> <p>8 What are you typing in now?</p> <p>9 A I'm typing in PO536 to take me to that</p> <p>10 program.</p> <p>11 Q And what screen -- excuse me. What screen</p> <p>12 is displayed now?</p> <p>13 A It's a Vendor Price Agreement Load screen.</p> <p>14 Q Now, you have in the Agreement Reference</p> <p>15 input box there, there's the words "Allied Office</p> <p>16 Supplies - Pen" displayed there. What's indicated</p> <p>17 by that information?</p> <p>18 A That's the name of the agreement we'll be</p> <p>19 creating.</p> <p>20 Q So why -- why do you need to create an</p> <p>21 agreement?</p> <p>22 A When we load, load items and prices, they</p> | <p>286</p> <p>1 A This would add the Lawson assigned item</p> <p>2 numbers to the -- back to the agreements, if the</p> <p>3 items were new.</p> <p>4 Q Okay. Can you go ahead and run Phase 1?</p> <p>5 A Okay.</p> <p>6 Q You've clicked on the submit button?</p> <p>7 A Yes, I have.</p> <p>8 Q And what functionality is performed when</p> <p>9 you click on submit?</p> <p>10 A That submits the -- the process to run the</p> <p>11 import.</p> <p>12 Q And where is the information going to be</p> <p>13 imported into?</p> <p>14 A It's going to be imported into the Vendor</p> <p>15 Agreement.</p> <p>16 Q Where is the Vendor Agreement retained?</p> <p>17 A It's retained in the PO module.</p> <p>18 Q Is it retained in the Item Master of the PO</p> <p>19 module?</p> <p>20 A No.</p> <p>21 Q You're just loading the agreement and then</p> <p>22 do you have to perform a separate process to load</p> |

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| <p>287</p> <p>1 the items associated with the agreement?</p> <p>2 A No. You run a second -- you run a second</p> <p>3 step to -- to tie the items that were created to the</p> <p>4 Vendor Agreement.</p> <p>5 Q Okay. Go ahead, please.</p> <p>6 A (Witness complied.)</p> <p>7 Q So how do you determine when the agreement</p> <p>8 is -- has been input?</p> <p>9 A I can check the process to see if it's</p> <p>10 completed.</p> <p>11 Q Is there some indication it's going to give</p> <p>12 you when it is completed?</p> <p>13 A By viewing the status of the report.</p> <p>14 Q Okay. Why -- why don't you go ahead and do</p> <p>15 that.</p> <p>16 A Okay. So --</p> <p>17 Q What's displayed on this screen?</p> <p>18 A It's showing that two items were added to</p> <p>19 the Item Master.</p> <p>20 Q Can you -- okay. And the item -- the two</p> <p>21 items that were added have an item number, or the</p> <p>22 first one has an item number of Bic-blue-pen and</p> | <p>289</p> <p>1 Q How do you determine that the UNSPSC codes</p> <p>2 have been loaded?</p> <p>3 A So I can check the success of the program</p> <p>4 or not.</p> <p>5 Q Now in the screen that's being displayed,</p> <p>6 you have some information here. There's a heading</p> <p>7 Item Group and a -- and a message. Underneath the</p> <p>8 heading Item Group there's a description segment.</p> <p>9 To what does that refer?</p> <p>10 A The segment refers to the first -- the</p> <p>11 highest level of the UNSPSC hierarchy.</p> <p>12 Q And then there's -- to the right of that</p> <p>13 there's a description Family. To what does that</p> <p>14 refer?</p> <p>15 A That is a second level of the UNSPSC</p> <p>16 hierarchy.</p> <p>17 Q And then to the right of Family there's a</p> <p>18 term "Class." To what does that refer?</p> <p>19 A Third level of the UNSPSC hierarchy.</p> <p>20 Q And then finally to the right there's -- of</p> <p>21 the term "Class" there's the term "Commodity." Is</p> <p>22 that the lowest and most specific of the UNSPSC</p> |
| <p>288</p> <p>1 item description of blue pen, and then vendor item</p> <p>2 number of Bic-blue-pen; is that correct?</p> <p>3 A That's correct.</p> <p>4 Q And what -- what vendor is associated with</p> <p>5 that item?</p> <p>6 A I believe it should be -- should be Allied</p> <p>7 Office Supplies.</p> <p>8 Q Okay. Can you demonstrate the UNSPSC code</p> <p>9 load procedure?</p> <p>10 A Yes.</p> <p>11 Q And you're inputting the term "IC 516" into</p> <p>12 the input box. What is that a reference to?</p> <p>13 A That's a reference to the UNSPSC product</p> <p>14 code program.</p> <p>15 Q And now you're brought to a screen labeled</p> <p>16 Load UNSPSC Product Codes. What will you do next in</p> <p>17 order to load the UNSPSC product codes?</p> <p>18 A I will create a job and specify the file</p> <p>19 where I'm getting the UNSPSC codes and where I'm</p> <p>20 loading it to.</p> <p>21 Q Okay. Proceed.</p> <p>22 A Okay.</p> | <p>290</p> <p>1 hierarchy tree?</p> <p>2 A I believe so.</p> <p>3 Q All right. Once you've loaded the UNSPSC</p> <p>4 codes, what would be the process that would be used</p> <p>5 to associate the UNSPSC codes with the items in the</p> <p>6 Item Master?</p> <p>7 A On the Item Master, I can assign the UNSPSC</p> <p>8 code to an item.</p> <p>9 Q Can you show us how that's done?</p> <p>10 A Yes.</p> <p>11 Q Now you've input IC11 into the input --</p> <p>12 user input field there. To what does IC11 refer?</p> <p>13 A It refers to the Item Master.</p> <p>14 Q Now you're brought to a screen</p> <p>15 entitled "Item Master (IC11.1)." What is</p> <p>16 represented in that screen?</p> <p>17 A This screen represents an item in the Item</p> <p>18 Master.</p> <p>19 Q Okay. And now for each item in the Item</p> <p>20 Master, you have a number of fields associated with</p> <p>21 that item. You have the stock unit of measure</p> <p>22 field, the manufacturer information field, the</p> |

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| <p>291</p> <p>1 manufacturer name, the generic name. You have</p> <p>2 some -- some fields that -- is that correct? Sorry.</p> <p>3 A Yes.</p> <p>4 Q Are there any fields that can be associated</p> <p>5 with an item that are not shown on the screen that</p> <p>6 you have displayed currently?</p> <p>7 A Yes.</p> <p>8 Q What are the other fields that can be</p> <p>9 associated with an item?</p> <p>10 A You can associate a vendor item to an item.</p> <p>11 Q And what -- what is a vendor item? How's</p> <p>12 that used?</p> <p>13 A A vendor item is the catalog number that is</p> <p>14 used to order from a supplier.</p> <p>15 Q And are there any other fields that can be</p> <p>16 associated with an item in the Item Master that are</p> <p>17 not displayed on the current screen?</p> <p>18 A Yes.</p> <p>19 Q And what are some of the other fields that</p> <p>20 can be associated with an item in the Item Master?</p> <p>21 A The -- you can tie locations that it's</p> <p>22 stocked in.</p> | <p>293</p> <p>1 the different values for Segment, Family, Class, and</p> <p>2 Commodity for this item.</p> <p>3 Q And how does the system know which values</p> <p>4 to select for each of those branches of the UNSPSC</p> <p>5 hierarchy?</p> <p>6 A I'm not sure I understand your question.</p> <p>7 Q Well, I see -- I see here for this</p> <p>8 particular tape item, Item No. 1007, that there are</p> <p>9 already filled in below the Segment, Family, Class,</p> <p>10 and Commodities fields, there are already some</p> <p>11 numbers in those fields. From where were those</p> <p>12 numbers retrieved?</p> <p>13 A These numbers were -- these numbers</p> <p>14 specifically were pulled from the set of UNSPSC</p> <p>15 codes that were initially loaded.</p> <p>16 Q And how did the system associate those</p> <p>17 particular UNSPSC codes with this item?</p> <p>18 A The user assigned these codes.</p> <p>19 Q All right. Why don't you proceed with the</p> <p>20 next step?</p> <p>21 A So would you like me to -- to change?</p> <p>22 Q Are those the correct Segment, Family,</p> |
| <p>292</p> <p>1 Q What about supplier name, can that field be</p> <p>2 associated with an item in the Item Master?</p> <p>3 A No.</p> <p>4 Q Is that field in the Vendor Master?</p> <p>5 A Yes.</p> <p>6 Q And how does the -- when you retrieve an</p> <p>7 item from the Item Master, how is it associated with</p> <p>8 the vendor from the Vendor Master?</p> <p>9 A It's associated in the vendor item setup</p> <p>10 area.</p> <p>11 Q Okay. Why don't you proceed with</p> <p>12 associating a UNSPSC code with this item?</p> <p>13 A Okay.</p> <p>14 Q Now you're clicking on the Classes tab?</p> <p>15 A That's correct.</p> <p>16 Q And what screen is displayed once you click</p> <p>17 on the Classes tab?</p> <p>18 A The classes information.</p> <p>19 Q All right. And what's the next step that</p> <p>20 you need to perform in order to associate a UNSPSC</p> <p>21 code?</p> <p>22 A Go to the UNSPSC section and then select</p> | <p>294</p> <p>1 Class, and Commodity codes that should be associated</p> <p>2 with this tape item?</p> <p>3 A I'm not certain.</p> <p>4 Q How would you find out if you needed to do</p> <p>5 this as product -- as a system administrator?</p> <p>6 A Might contact the vendor.</p> <p>7 Q Okay. Can you demonstrate how to set up</p> <p>8 the keyword search load procedure?</p> <p>9 A Yes.</p> <p>10 Q Now you've input into the user input field</p> <p>11 the term "IC00.5." To what does that refer?</p> <p>12 A That refers to the keyword, keyword search</p> <p>13 setup.</p> <p>14 Q And now the screen that's currently</p> <p>15 displayed is entitled "Keyword Search</p> <p>16 Setup (IC00.5)." What's displayed on this screen?</p> <p>17 A It displays a list of -- a list of fields</p> <p>18 and whether they are used in the keyword search.</p> <p>19 Q And so you have fields Item, Description,</p> <p>20 and those are indicated as used. Does that indicate</p> <p>21 that those fields are searchable by the search</p> <p>22 engine?</p> |

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| <p>295</p> <p>1 A Yes.</p> <p>2 Q What's the -- the second description field,</p> <p>3 what -- what does that do?</p> <p>4 A It is a second description on the item in</p> <p>5 the Item Master.</p> <p>6 Q So you can have multiple different</p> <p>7 descriptions for an item?</p> <p>8 A Yes.</p> <p>9 Q Would one be a long description and one be</p> <p>10 a short description perhaps?</p> <p>11 A No.</p> <p>12 Q Oh, okay. Can you create new field</p> <p>13 descriptions, such as supplier name, and make those</p> <p>14 searchable?</p> <p>15 A No.</p> <p>16 Q Are these all of the different fields that</p> <p>17 are associated with an item in the Item Master?</p> <p>18 A No.</p> <p>19 Q What are the other fields that are</p> <p>20 associated with an item in the Item Master that can</p> <p>21 be made searchable?</p> <p>22 A There's a second page here of items that</p> | <p>297</p> <p>1 A You would use one of the provided user</p> <p>2 fields.</p> <p>3 Q So, for example, if I wanted to change the</p> <p>4 First Alpha User Field to be supplier name, how</p> <p>5 would you do that?</p> <p>6 A You would need to change the label.</p> <p>7 Q Could you demonstrate how to do that?</p> <p>8 A No, I can't.</p> <p>9 Q Why?</p> <p>10 A I don't -- I don't know how to -- I don't</p> <p>11 have that tool to change it.</p> <p>12 Q Okay. Now can we proceed with</p> <p>13 demonstrating how product cate- -- categories can be</p> <p>14 associated with a UNSPSC code?</p> <p>15 A I -- I can't show that exactly. Actually,</p> <p>16 could -- the categories are the UNSPSC codes.</p> <p>17 Q Is there an administrator screen to show</p> <p>18 you all of the product categories?</p> <p>19 A No.</p> <p>20 Q So when you load the UNSPSC codes and, you</p> <p>21 know, we saw the UNSPSC code load procedure, how do</p> <p>22 you associate those UNSPSC codes with the textual</p> |
| <p>296</p> <p>1 can be made searchable.</p> <p>2 Q So you can have a Vendor Item Number made</p> <p>3 searchable and a Vendor Item Description. Are there</p> <p>4 any other fields?</p> <p>5 A Yes.</p> <p>6 Q Just the Vendor Manufacturer Item, that's</p> <p>7 the last field?</p> <p>8 A Yes.</p> <p>9 Q Okay. Can you demonstrate how the product</p> <p>10 categories are associated with a UNSPSC code? Oh,</p> <p>11 before we -- I'm sorry.</p> <p>12 Before we do that, can you set up a custom</p> <p>13 field that can be associated with an item in the</p> <p>14 Item Master if the user wanted to add an additional</p> <p>15 field and have that associated with an item? Are</p> <p>16 there some user-defined fields, for example?</p> <p>17 A Could you repeat your -- your question?</p> <p>18 Q Can a user set up a user-defined field and</p> <p>19 have that field be associated with an item in the</p> <p>20 Item Master?</p> <p>21 A Yes.</p> <p>22 Q And how would you do that?</p> | <p>298</p> <p>1 name of the product category that's displayed when</p> <p>2 you want to perform the categories search task, for</p> <p>3 example?</p> <p>4 A I do that through the UNSPSC setup screen.</p> <p>5 Q Could you show us how that's done?</p> <p>6 A Yes.</p> <p>7 Q So you've input into the input box IC16?</p> <p>8 A Yes.</p> <p>9 Q And what's that procedure?</p> <p>10 A This is the UNSPSC Product Codes.</p> <p>11 Q What's displayed in the screen that you</p> <p>12 have currently rendered there?</p> <p>13 A This is displayed Segment 10, which is the</p> <p>14 highest level, and description live plant and</p> <p>15 animal -- animal material and accessories and</p> <p>16 supplies.</p> <p>17 Q Okay. And then -- can you display the</p> <p>18 different branches underneath that high -- high</p> <p>19 level, the Family and Class and Commodities below</p> <p>20 that level?</p> <p>21 A So if I hit Next, I can see the family, the</p> <p>22 first Family 10, Level 2, live animals.</p> |

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| <p>299</p> <p>1 Q All right. And how could I display the</p> <p>2 classes that are under that family?</p> <p>3 A Hit Next, and I can see a Class 15.</p> <p>4 Q And the Class 15 is associated with</p> <p>5 livestock; is that correct?</p> <p>6 A Yes.</p> <p>7 Q Okay. And then what are the various</p> <p>8 commodities that are underneath Class 15?</p> <p>9 A I would hit Next to see the commodities.</p> <p>10 Q So there are cats underneath the</p> <p>11 livestock --</p> <p>12 A Yes.</p> <p>13 Q -- class? Okay. Can you log out and then</p> <p>14 log in to the Requisitions Self-Service system as a</p> <p>15 requisitioner?</p> <p>16 A So do you want me to log out and log back?</p> <p>17 Q Well, can you show us what you would do if</p> <p>18 you wanted to log in as a requisitioner, or -- or</p> <p>19 just -- yeah, you can just go to the Requisitions</p> <p>20 Self-Service.</p> <p>21 A Yeah.</p> <p>22 Q So you're -- you're clicking on the</p> | <p>301</p> <p>1 Q And then if you click on the Requester</p> <p>2 Shopping Lists selection on the drop-down menu, what</p> <p>3 screen would be displayed?</p> <p>4 A This is for an individual requester to</p> <p>5 maintain his or her template shopping list.</p> <p>6 Q If you click on the Line Status selection</p> <p>7 in the drop-down menu, what information would be</p> <p>8 displayed?</p> <p>9 A An inquiry into the status of individual</p> <p>10 requisition lines.</p> <p>11 Q So you can see if you've received a</p> <p>12 confirmation from a supplier, perhaps, in response</p> <p>13 to one of your orders?</p> <p>14 A No.</p> <p>15 Q You could see if a request -- requisition</p> <p>16 that you had submitted has been approved by your</p> <p>17 manager, for example?</p> <p>18 A Yes.</p> <p>19 Q If you click on the Status selection in the</p> <p>20 drop-down menu, what screen would be displayed?</p> <p>21 A It's a status inquiry screen that starts at</p> <p>22 the requisition level.</p> |
| <p>300</p> <p>1 Requisitions Self-Service tab and then it displayed</p> <p>2 a drop-down menu with various different options.</p> <p>3 What -- what tasks can be performed at the Utilities</p> <p>4 option, if you clicked on that?</p> <p>5 A These are some setup options for the -- an</p> <p>6 admin to have access to.</p> <p>7 Q And what are the various setup options that</p> <p>8 the admin has access to?</p> <p>9 A I'm just -- I can reload the configuration</p> <p>10 file, I can create translation files, and clear out</p> <p>11 the cache.</p> <p>12 Q All right. If you access the All Shopping</p> <p>13 Lists selection on the drop-down menu, what</p> <p>14 information is -- would be displayed?</p> <p>15 A It would display selections to maintain</p> <p>16 templates for the entire organization.</p> <p>17 Q So if you know that you frequently order</p> <p>18 particular type of products from a particular</p> <p>19 supplier, you can save that as a shopping list so</p> <p>20 you don't have to recreate that every time you want</p> <p>21 to place that order; is that correct?</p> <p>22 A Yes.</p> | <p>302</p> <p>1 Q All right. If you click on the Receiving</p> <p>2 selection in the drop-down menu, what information</p> <p>3 would be displayed?</p> <p>4 A It would display orders that could be</p> <p>5 received.</p> <p>6 Q And if you click on the Approvals selection</p> <p>7 in the drop-down menu, what screen would be</p> <p>8 displayed?</p> <p>9 A The web approval function.</p> <p>10 Q What's the web approval function?</p> <p>11 A It is an approval -- approval screen to</p> <p>12 approve a requisition.</p> <p>13 Q All right. Let's go ahead and select</p> <p>14 Shopping then.</p> <p>15 Now what -- what screen is currently</p> <p>16 displayed?</p> <p>17 A This is the Basic tab of the Profile</p> <p>18 screen.</p> <p>19 Q And what information is found under the</p> <p>20 Basic tab of the Profile screen?</p> <p>21 A The requester, any header information for a</p> <p>22 requisition, like a reference number or a</p> |

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| <p>303</p> <p>1 description, the requesting location. So where am I</p> <p>2 ordering something from? So I could -- I have a</p> <p>3 default or I could change it to a different</p> <p>4 location. Requested delivery date at the header,</p> <p>5 any priority, and the deliver to information.</p> <p>6 Q So is this information going to be used by</p> <p>7 the system to build -- to populate a requisition</p> <p>8 that's going to be built?</p> <p>9 A Yes.</p> <p>10 Q Okay. So if you want to -- to -- can you</p> <p>11 click on the Find/Shop selection at the top?</p> <p>12 A Yes.</p> <p>13 Q And let's click on Search Catalog from the</p> <p>14 drop-down menu.</p> <p>15 A Okay.</p> <p>16 Q Is there any way that you can display for</p> <p>17 me, before we get started, the items that are in the</p> <p>18 Item Master?</p> <p>19 A Yes.</p> <p>20 Q How would you do that?</p> <p>21 A Would go back to the previous screens and</p> <p>22 pull up the Item Master.</p> | <p>305</p> <p>1 the vendors associated with each item?</p> <p>2 A Yes.</p> <p>3 Q How would you display that?</p> <p>4 A Go the vendor item subscreen.</p> <p>5 Q And that's PO13 --</p> <p>6 A Yes.</p> <p>7 Q -- gives you that display? So what screen</p> <p>8 is being displayed now?</p> <p>9 A This is the vendor item screen.</p> <p>10 Q Is it possible to display in a list fashion</p> <p>11 all of the different vendors that are available?</p> <p>12 A I can look at the items for a vendor.</p> <p>13 Q So what -- you have here displayed a number</p> <p>14 of items. How do I know which vendor these items</p> <p>15 are associated with?</p> <p>16 A I had to know that I was starting from</p> <p>17 Owens & Minor here in this display.</p> <p>18 Q So these are all of the items associated</p> <p>19 with Owens & Minor?</p> <p>20 A I believe so, yes.</p> <p>21 Q So can you show me the other vendors</p> <p>22 that -- for which you have loaded items into the</p> |
| <p>304</p> <p>1 Q Okay. Could you just do that?</p> <p>2 A Sure.</p> <p>3 Q Now how many items have you loaded into the</p> <p>4 Item Master?</p> <p>5 A I believe approximately 140.</p> <p>6 Q Have you loaded in items associated with</p> <p>7 multiple different vendors?</p> <p>8 A Yes.</p> <p>9 Q Are these the only fields that are going to</p> <p>10 be searchable, the item number and the description?</p> <p>11 A No.</p> <p>12 Q Can you show me the other fields that are</p> <p>13 associated with the items? Is there an expanded</p> <p>14 view or something?</p> <p>15 A There are different -- different views of</p> <p>16 the items.</p> <p>17 Q So what -- what's a different view than the</p> <p>18 view that you have displayed currently? Can you</p> <p>19 show me a view just to show me that there are</p> <p>20 multiple vendor items in the Item Master?</p> <p>21 A Not from -- not from this view. I could --</p> <p>22 Q Is there another view that would show me</p> | <p>306</p> <p>1 Item Master?</p> <p>2 A Abbott Labs. There's a -- a view that's</p> <p>3 for Abbott Labs.</p> <p>4 Q Are there any other -- does the Item Master</p> <p>5 include items from any other vendors in addition to</p> <p>6 Owens & Minor and Abbott Labs?</p> <p>7 A Yes.</p> <p>8 Q Can you show me the other vendors?</p> <p>9 A Baxter.</p> <p>10 Q Can you show me the items associated with</p> <p>11 Baxter?</p> <p>12 A Sure.</p> <p>13 Q Are there any other -- are there any other</p> <p>14 vendors -- have you loaded any other items of any</p> <p>15 other vendors in the Item Master in addition to</p> <p>16 Owens & Minor, Abbott Labs, and Baxter Healthcare?</p> <p>17 A Yes.</p> <p>18 Q Can you show me another vendor, please?</p> <p>19 A Sure.</p> <p>20 Q And what vendor's items are being displayed</p> <p>21 now?</p> <p>22 A I'm just finding an item that has --</p> |

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| <p>307</p> <p>1 Q Okay.</p> <p>2 A -- a different -- different vendor, just</p> <p>3 show you from this screen. OfficeMax.</p> <p>4 Q Okay. Can we go back to the Requisitions</p> <p>5 Self-Service and select Shopping?</p> <p>6 A (Witness complied.)</p> <p>7 Q Yeah, okay. Okay. Now you've clicked on</p> <p>8 the Find/Shop drop-down and -- and select to search</p> <p>9 the catalog. Is that how you arrived at this</p> <p>10 screen?</p> <p>11 A Yes.</p> <p>12 Q And does this screen present a user</p> <p>13 interface for a user to input a search query?</p> <p>14 A Yes.</p> <p>15 Q Can we -- can we input a search to search</p> <p>16 for tape?</p> <p>17 A Yes.</p> <p>18 Q Now once you input that and click enter, is</p> <p>19 a search engine going to perform a search against</p> <p>20 the items in the Item Master to look for items that</p> <p>21 match the input search query?</p> <p>22 A Yes.</p> | <p>309</p> <p>1 Q Let's go back to -- back to the search</p> <p>2 screen. Is there any way to tell on -- on this</p> <p>3 screen whether the item is one that can be ordered</p> <p>4 externally that's not available in your stock?</p> <p>5 A Yes. These check marks says, "Nonstock</p> <p>6 item at your From Location." Check plus is a stock</p> <p>7 item.</p> <p>8 Q Okay. So if I click on the third item on</p> <p>9 the hit list, can we go to the item detail for that?</p> <p>10 A (Witness complied.)</p> <p>11 Q And here on the item detail page you can --</p> <p>12 you're presented with a display that shows a number</p> <p>13 of different attributes associated with the item; is</p> <p>14 that correct?</p> <p>15 A Yes.</p> <p>16 Q For example, you have a picture of the item</p> <p>17 displayed; is that correct?</p> <p>18 A Yes.</p> <p>19 Q And you have an item description displayed;</p> <p>20 is that correct?</p> <p>21 A Yes.</p> <p>22 Q And you have a -- a source vendor</p> |
| <p>308</p> <p>1 Q Okay. Now the search engine has searched</p> <p>2 the Item Master and returned a hit list of items</p> <p>3 that matched the input search query; is that</p> <p>4 correct?</p> <p>5 A Yes.</p> <p>6 Q And how many items were returned matching</p> <p>7 the input search query?</p> <p>8 A Eight.</p> <p>9 Q Okay. Can you scroll back up again?</p> <p>10 A (Witness complied.)</p> <p>11 Q Okay. Can we click on -- click on the</p> <p>12 first one in the hit list and display the item</p> <p>13 detail page?</p> <p>14 A (Witness complied.)</p> <p>15 Q And this is showing that -- that you have</p> <p>16 stock on hand in your internal inventory? Is that</p> <p>17 what's meant by the Stock on Hand information?</p> <p>18 A Yes.</p> <p>19 Q Do you have any items in the Item Master</p> <p>20 that are not from -- that you can order from the</p> <p>21 supplier rather than your stock on hand?</p> <p>22 A Yes.</p> | <p>310</p> <p>1 identification displayed?</p> <p>2 A Yes.</p> <p>3 Q Namely, Allegiance Healthcare Corporation;</p> <p>4 is that correct?</p> <p>5 A Yes.</p> <p>6 Q And that's the source that you would</p> <p>7 order -- order the item from if you selected that to</p> <p>8 include it in the requisition; is that correct?</p> <p>9 A Yes.</p> <p>10 Q And the manufacturer of this particular</p> <p>11 tape item is 3M, and that information's displayed in</p> <p>12 the item detail page; is that correct?</p> <p>13 A Yes.</p> <p>14 Q And can you scroll back up, please?</p> <p>15 A (Witness complied.)</p> <p>16 Q You also have the cost associated with the</p> <p>17 item presented in the item detail page; is that</p> <p>18 correct?</p> <p>19 A Yes.</p> <p>20 Q Okay. Let's go ahead and -- well, what's</p> <p>21 meant by the quantity that's in the Quantity input</p> <p>22 box there?</p> |

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| <p>311</p> <p>1 A It's the quantity I want to add to my</p> <p>2 requisition, to the cart.</p> <p>3 Q Okay. Let's go ahead and add -- can we</p> <p>4 change that to 2,000?</p> <p>5 A Sure.</p> <p>6 Q I really need some surgical tape for my</p> <p>7 hospitals. Let's add that to the cart.</p> <p>8 A (Witness complied.)</p> <p>9 Q Okay. And then we see on the screen here,</p> <p>10 on the right part of the screen display the -- under</p> <p>11 the heading "My Cart," can you describe what</p> <p>12 information is shown in that part of the display?</p> <p>13 A It shows the item that we just added, the</p> <p>14 quantity, and the unit cost plus the extended cost,</p> <p>15 and then the total at the bottom of the cart.</p> <p>16 Q Okay. Can we go back and search for</p> <p>17 another item?</p> <p>18 A (Witness complied.)</p> <p>19 Q Let's do a search for Staples, and can you</p> <p>20 input that to the search engine?</p> <p>21 A (Witness complied.)</p> <p>22 Q Oh, okay. Can you click on the third one</p> | <p>313</p> <p>1 equipment such as -- I have a question about the</p> <p>2 shopping cart.</p> <p>3 We selected Staples and the item that was</p> <p>4 brought over into the shopping cart is paper clips.</p> <p>5 Can you explain why that happened?</p> <p>6 A I would need to look at the -- the item</p> <p>7 here.</p> <p>8 Because the vendor item description was</p> <p>9 Staples Standard.</p> <p>10 Q Okay.</p> <p>11 A So that matched the search results.</p> <p>12 Q I see, okay. I'm sorry. Can we go back to</p> <p>13 the Find/Shop drop-down and select Categories?</p> <p>14 A (Witness complied.)</p> <p>15 Q Can you expand the categories to show each</p> <p>16 branch and down to the leaf level? Is that possible</p> <p>17 on this display?</p> <p>18 A No.</p> <p>19 Q Oh, okay. Let's click on Medical Equipment</p> <p>20 and Accessories and Supplies.</p> <p>21 A (Witness complied.)</p> <p>22 Q Okay. Can we click on Patient Care and</p> |
| <p>312</p> <p>1 on the hit list and display the item detail? It</p> <p>2 doesn't matter. The fourth one's fine.</p> <p>3 A Oh, sorry.</p> <p>4 Q Okay. And here on the item detail page we</p> <p>5 see that the source for this particular item is</p> <p>6 going to be OfficeMax; is that correct?</p> <p>7 A That's correct.</p> <p>8 Q And, again, we have displayed the cost</p> <p>9 associated with the item as well as a description of</p> <p>10 the item and the vendor item number, correct?</p> <p>11 A Yes.</p> <p>12 Q Can I order a hundred of these and add that</p> <p>13 to my cart?</p> <p>14 A (Witness complied.)</p> <p>15 Q Can we go back to -- can we go back to the</p> <p>16 Find/Shop and select to search by categories?</p> <p>17 A Okay.</p> <p>18 Q Are those all of the categories that are</p> <p>19 available to be searched in the Item Master?</p> <p>20 A These are -- these are the categories that</p> <p>21 are being used on items.</p> <p>22 Q What if I wanted to search for some office</p> | <p>314</p> <p>1 Treatment Products and Supplies?</p> <p>2 A Okay.</p> <p>3 Q Now at the top of the screen we have shown</p> <p>4 there two different levels of the product category</p> <p>5 hierarchy, the medical equipment top level and then</p> <p>6 the patient care second level; is that correct?</p> <p>7 A Yes.</p> <p>8 Q And then underneath that, can you describe</p> <p>9 what's displayed under that product?</p> <p>10 A Injection and Aspiration Needles and</p> <p>11 Accessories and Syringes and Accessories.</p> <p>12 Q So those are -- are the next level down in</p> <p>13 the product category hierarchy; is that correct?</p> <p>14 A Yes.</p> <p>15 Q Okay. Can we click on Syringes and</p> <p>16 Accessories?</p> <p>17 A Yes.</p> <p>18 Q And then we're shown the next more specific</p> <p>19 level of the category hierarchy tree being</p> <p>20 Medication Syringes with Needles; is that correct?</p> <p>21 A Yes.</p> <p>22 Q Okay. Can you click on that hyperlink,</p> |

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| <p>315</p> <p>1 please?</p> <p>2 A Yes.</p> <p>3 Q So is there any one item in the Item Master</p> <p>4 that's associated with that particular leaf of the</p> <p>5 product category hierarchy?</p> <p>6 A Yes.</p> <p>7 Q Okay. Go ahead and add -- let's -- let's</p> <p>8 order a hundred of those and add that to the cart,</p> <p>9 and those are indicated as being in your -- in your</p> <p>10 own internal stock; is that correct?</p> <p>11 A Yes.</p> <p>12 Q Can you go back to the tape item that's in</p> <p>13 the shopping cart and display the item detail on</p> <p>14 that?</p> <p>15 A (Witness complied.) Okay.</p> <p>16 Q It's not wanting to display it?</p> <p>17 A It's getting an -- an error on that.</p> <p>18 Q I just wanted to see the product category</p> <p>19 hierarchy associated with that item.</p> <p>20 A I can pull up the detail from the search --</p> <p>21 search results.</p> <p>22 Q Okay. Is there any way to determine the</p> | <p>317</p> <p>1 family information?</p> <p>2 A Yes. I'll pick a different way.</p> <p>3 Sorry. I missearched here.</p> <p>4 Okay. "Wound care products."</p> <p>5 Q Wound care products is the Family 31?</p> <p>6 A The family, yes.</p> <p>7 Q Okay. And then for the class associated</p> <p>8 with that surgical tape, how could I display that</p> <p>9 information?</p> <p>10 A It's "Medical and surgical."</p> <p>11 Q Okay. Can I go back to the Find/Shop menu</p> <p>12 and select Categories?</p> <p>13 A (Witness complied.)</p> <p>14 Q And select Medical Equipment and</p> <p>15 Accessories and Supplies?</p> <p>16 A (Witness complied.)</p> <p>17 Q And then scroll down to select Wound Care</p> <p>18 Products?</p> <p>19 A (Witness complied.)</p> <p>20 Q And now I can't remember which one it was.</p> <p>21 Yeah, select Medical and Surgical Adherent Tapes.</p> <p>22 A (Witness complied.)</p> |
| <p>316</p> <p>1 product category hierarchy associated with this</p> <p>2 item?</p> <p>3 A Yes.</p> <p>4 Q How do you -- how would you do that?</p> <p>5 A From a -- the Item Master.</p> <p>6 Q Can we try to do that for that tape item?</p> <p>7 A Sure.</p> <p>8 Q How can I determine the textual -- so it's</p> <p>9 medical or surgeon -- surgical. Is that the textual</p> <p>10 information displayed under the UNSPSC Segment,</p> <p>11 Family, Class, and Commodity information reading,</p> <p>12 "Medical or surgical woven non-allergenic tapes," is</p> <p>13 that the lowest level in the category hierarchy</p> <p>14 there?</p> <p>15 A Yes.</p> <p>16 Q So how do I know the top level, the levels</p> <p>17 above that?</p> <p>18 A I can look at the segment detail.</p> <p>19 Q Can you display the segment information?</p> <p>20 A It says, "Medical Equipment," and</p> <p>21 doesn't -- doesn't fully display on this.</p> <p>22 Q Can we go back to the -- and display the</p> | <p>318</p> <p>1 Q Doesn't seem like we're given our selection</p> <p>2 of medical or surgical woven non-allergenic tapes.</p> <p>3 A I think we want --</p> <p>4 Q There, okay -- no, it still doesn't --</p> <p>5 okay. Can you select medical or surgical woven</p> <p>6 non-allergenic tapes?</p> <p>7 A (Witness complied.)</p> <p>8 Q So the item number 1013 is the one that we</p> <p>9 currently have in our cart. If we decided that we</p> <p>10 didn't need -- we see now that we have some in stock</p> <p>11 so we don't need to order it from the supplier</p> <p>12 there, can we go ahead and instead add the first one</p> <p>13 to our cart, add 2,000 of the first item, select the</p> <p>14 first item in the -- and add 2,000 of those and then</p> <p>15 add that to our cart?</p> <p>16 A (Witness complied.)</p> <p>17 Q Now by using the product category hierarchy</p> <p>18 tree to perform this search and we've gotten down to</p> <p>19 two items having the same commodity classification,</p> <p>20 that indicates that they are both associated with</p> <p>21 the same UNSPSC code in the Item Master, correct?</p> <p>22 A Yes.</p> |

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| <p>319</p> <p>1 Q So can we go ahead and delete item 1013</p> <p>2 from our shopping cart because we're going to</p> <p>3 acquire the item from our inventory rather than</p> <p>4 requisitioning it from an external supplier?</p> <p>5 A Yes.</p> <p>6 Q Can we go back to the Find/Shop drop-down</p> <p>7 menu and select Punchout?</p> <p>8 A Okay.</p> <p>9 Q And what screen's displayed on the</p> <p>10 left-hand side now after making the punchout</p> <p>11 selection?</p> <p>12 A The Configured PunchOut Vendor List.</p> <p>13 Q So you've configured the system to have the</p> <p>14 capability to punchout to the Dell catalog; is that</p> <p>15 correct?</p> <p>16 A Yes.</p> <p>17 Q And if you -- if the Lawson system user had</p> <p>18 agreements with multiple different punchout partners</p> <p>19 on the screen that we're shown here, we would have</p> <p>20 displayed multiple different vendor selections that</p> <p>21 were possible to access via punchout; is that</p> <p>22 correct?</p> | <p>321</p> <p>1 the punchout session; is that correct?</p> <p>2 A Not -- not exactly.</p> <p>3 Q Well, why do we still have the Requisitions</p> <p>4 Self-Service window being displayed behind the</p> <p>5 punchout window?</p> <p>6 A Well, it's -- you know, there is a session</p> <p>7 that's logged in at the Dell site, and when it's</p> <p>8 complete it will connect back to Lawson Requisitions</p> <p>9 Self-Service.</p> <p>10 Q Okay. Let's go ahead and open up the Dell</p> <p>11 window so we can see more of the display at the Dell</p> <p>12 site.</p> <p>13 A (Witness complied.)</p> <p>14 Q Now, the functionality at the Dell site</p> <p>15 enables you to search inputting keywords; is that</p> <p>16 correct?</p> <p>17 A Yes.</p> <p>18 Q We see the keyword search input box. Is</p> <p>19 there any other potential way to conduct searches on</p> <p>20 the Dell site?</p> <p>21 A I believe so.</p> <p>22 Q What are the different ways to conduct a</p> |
| <p>320</p> <p>1 A Yes, you would see multiple logos.</p> <p>2 Q And you would have the possibility of</p> <p>3 making a selection from multiple different vendors</p> <p>4 sites in which to shop, correct?</p> <p>5 A You'd be able to select to go to one vendor</p> <p>6 at a time.</p> <p>7 Q Okay. Let's go ahead and access the Dell</p> <p>8 catalog.</p> <p>9 A (Witness complied.)</p> <p>10 Q Now presented on the screen I have one</p> <p>11 browser window open within another browser window.</p> <p>12 Can you explain how that's done?</p> <p>13 A We -- we basically have logged in to the</p> <p>14 Dell -- Dell site and display it within a window</p> <p>15 that has a logo with header information that's</p> <p>16 typically the customer's logo, not Lawson's logo up</p> <p>17 top because it is their cus- -- you know, their</p> <p>18 customized site, and then we display the Dell --</p> <p>19 Dell site within that frame.</p> <p>20 Q And the Lawson system user is still</p> <p>21 connected to the Requisitions Self-Service</p> <p>22 application at the same time as they're initiating</p> | <p>322</p> <p>1 search on the Dell site? Oh, you can search by the</p> <p>2 various categories, I guess, of -- you can search</p> <p>3 either by standard configurations and select that</p> <p>4 drop-down, you can conduct a search for software and</p> <p>5 peripherals categories of products and select that</p> <p>6 drop-down and then drill down to more specific types</p> <p>7 of products, correct?</p> <p>8 A It appears so.</p> <p>9 Q You can select to search for solutions type</p> <p>10 items -- no. That's not enabled, so perhaps you</p> <p>11 don't have those items accessible to the user; is</p> <p>12 that correct?</p> <p>13 A This would really depend upon what Dell</p> <p>14 arranges with each -- each customer.</p> <p>15 Q Okay. Let's do a keyword search for laptop</p> <p>16 and input that search query to the search engine.</p> <p>17 A (Witness complied.)</p> <p>18 Q And the Dell search engine input that to</p> <p>19 its -- input that query to the search engine, it</p> <p>20 searched the database, and it returned items that</p> <p>21 matched that input search query; is that correct?</p> <p>22 A It appears so.</p> |

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| <p>323</p> <p>1 Q And how many items, matching items were</p> <p>2 returned? Is there anywhere that it tells the</p> <p>3 number? Oh, one -- thirteen --</p> <p>4 A Thousand -- 13,648 results.</p> <p>5 Q Okay. Can you scroll down a little bit and</p> <p>6 show some of the matching items.</p> <p>7 A (Witness complied.)</p> <p>8 Q Can you go to the next page.</p> <p>9 A (Witness complied.)</p> <p>10 Q I'm actually looking more for a computer</p> <p>11 than something to carry the computer in, so I'm</p> <p>12 trying to figure out how -- can we go back?</p> <p>13 A Yes.</p> <p>14 Q Oh, can we click on the link for Dell</p> <p>15 Laptops/Notebooks?</p> <p>16 A Sure.</p> <p>17 Q Can you scroll down.</p> <p>18 A (Witness complied.)</p> <p>19 Q Okay. Can you click on the Latitude E5500</p> <p>20 and show the item detail page?</p> <p>21 A Okay.</p> <p>22 Q Let's go ahead and add -- add one of these</p> | <p>325</p> <p>1 A (Witness complied.)</p> <p>2 Q And let's go ahead and click on Create</p> <p>3 Order Requisition.</p> <p>4 A (Witness complied.)</p> <p>5 Q And now what screen's presented here?</p> <p>6 A This is the shipping information screen for</p> <p>7 Dell.</p> <p>8 Q And so what would you need to do in order</p> <p>9 to bring these items back now into your shopping</p> <p>10 cart in the Requisitions Self-Service application?</p> <p>11 A Need to complete the remaining screens on</p> <p>12 the Dell site, the shipping, payment, and the verify</p> <p>13 and submit order requisition screens.</p> <p>14 Q Okay. Why don't you go ahead and do that.</p> <p>15 A (Witness complied.)</p> <p>16 Q You're not actually going to order the</p> <p>17 information here at the Dell web site, correct?</p> <p>18 A Correct.</p> <p>19 Q You're going to bring those two items that</p> <p>20 were in your Dell shopping cart back into the</p> <p>21 shopping cart with the Lawson Requisitions</p> <p>22 Self-Service application, correct?</p> |
| <p>324</p> <p>1 to our cart.</p> <p>2 A Okay.</p> <p>3 Q Can I go back and input laptop into the</p> <p>4 keyword search input field?</p> <p>5 A (Witness complied.)</p> <p>6 Q Okay. Let's click on the -- the Belkin</p> <p>7 carrying case there and display the item detail.</p> <p>8 A (Witness complied.)</p> <p>9 Q And here on the item detail page, we see</p> <p>10 that the information associated with this catalog</p> <p>11 item indicates that it usually ships within 24</p> <p>12 hours, correct?</p> <p>13 A Yes.</p> <p>14 Q Let's go ahead and -- and it also has the</p> <p>15 manufacturer's part number and the Dell part number,</p> <p>16 correct?</p> <p>17 A Yes.</p> <p>18 Q It also gives you information about the</p> <p>19 UNSPSC code associated with this item, correct?</p> <p>20 A Yes.</p> <p>21 Q Let's go ahead and add that item to our</p> <p>22 cart.</p> | <p>326</p> <p>1 A Yes.</p> <p>2 Q You're going to click on Submit Order</p> <p>3 Requisition now?</p> <p>4 A Yes.</p> <p>5 Q What's this page displayed here?</p> <p>6 A "The website cannot display the page." Let</p> <p>7 me refresh.</p> <p>8 Q Uh-oh. Well, assuming it was functioning</p> <p>9 properly, would the items that you had in your</p> <p>10 shopping cart of the Dell punchout site be returned</p> <p>11 into your shopping cart in your Requisitions</p> <p>12 Self-Service application?</p> <p>13 A Yes.</p> <p>14 Q Okay. And currently we have three items in</p> <p>15 our Requisitions Self-Service shopping cart from our</p> <p>16 search of the internal Item Master, correct?</p> <p>17 A Yes.</p> <p>18 Q And one of those items is going to be</p> <p>19 requisitioned from your internal inventory, correct?</p> <p>20 A Yes.</p> <p>21 Q And then the other two items are going to</p> <p>22 be requisitioned from two external suppliers,</p> |

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| <p>327</p> <p>1 correct?</p> <p>2 A Yes.</p> <p>3 Q Okay. What -- let's go ahead and click</p> <p>4 Checkout.</p> <p>5 A (Witness complied.)</p> <p>6 Q Okay. Now can you -- so now you've --</p> <p>7 you've submitted your requisition for approval.</p> <p>8 Would the requisitioner typically log out at this</p> <p>9 stage?</p> <p>10 A Yes.</p> <p>11 Q Okay. Can you log out as the requisitioner</p> <p>12 and log back on as the person having authorization</p> <p>13 to approve requisitions?</p> <p>14 A (Witness complied.) So I'm -- my user has</p> <p>15 the ability to approve the requisition too.</p> <p>16 Q So which tab do you select under the -- the</p> <p>17 Home menu?</p> <p>18 A The Manager inbasket.</p> <p>19 Q Okay. Oh, what does the asterisks by</p> <p>20 Manager mean?</p> <p>21 A I believe it means that there's work that</p> <p>22 needs to be done for that.</p> | <p>329</p> <p>1 A (Witness complied.)</p> <p>2 Q Now, after the requisition has been</p> <p>3 approved, will the system generate purchase orders</p> <p>4 associated with the different items in the</p> <p>5 requisition?</p> <p>6 A Not automatically.</p> <p>7 Q How does it generate purchase orders from</p> <p>8 the line items in the requisition?</p> <p>9 A You could schedule a process to</p> <p>10 automatically create it, or you can run that process</p> <p>11 manually or a buyer could come in and select items</p> <p>12 and create purchase orders manually.</p> <p>13 Q How would you schedule it to be done</p> <p>14 automatically upon approval of a requisition?</p> <p>15 A I would create a job for that automatic PO</p> <p>16 creation process and schedule it to be triggered by</p> <p>17 the workflow or schedule it to be run just, you</p> <p>18 know, every 30 minutes or so to create purchase</p> <p>19 orders.</p> <p>20 Q Is there a way we can log back in and see</p> <p>21 if -- oh, you didn't -- you didn't set it up to</p> <p>22 schedule it to create purchase orders from the</p> |
| <p>328</p> <p>1 Q So that would -- when the manager logged</p> <p>2 into the system, they can see that there are perhaps</p> <p>3 some requisitions needing the manager's approval?</p> <p>4 A Yes.</p> <p>5 Q And I forgot to check the number associated</p> <p>6 with the requisition that we just built. Would it</p> <p>7 be the one with "keithl"? Is that the one that we</p> <p>8 just built?</p> <p>9 A Yes.</p> <p>10 Q Can we go ahead and click on the link for</p> <p>11 that and display the requisition?</p> <p>12 A (Witness complied.)</p> <p>13 Q Now that's displaying the three different</p> <p>14 line items that we had that were associated with</p> <p>15 each different item that was included in the -- the</p> <p>16 requisition that was built by the requisitioner; is</p> <p>17 that correct?</p> <p>18 A Yes.</p> <p>19 Q And how would you go about approving that?</p> <p>20 A Select the Approve action on the left-hand</p> <p>21 side.</p> <p>22 Q Okay. Go ahead and do that, please.</p> | <p>330</p> <p>1 approved requisitions?</p> <p>2 A No, I did not set a schedule job.</p> <p>3 Q Can you go ahead and show us how it would</p> <p>4 generate purchase orders from that approved</p> <p>5 requisition?</p> <p>6 A Yes. So this is the program that can</p> <p>7 automatically create purchase orders from</p> <p>8 requisitions.</p> <p>9 Q And you're going to click on the Change</p> <p>10 tab?</p> <p>11 A No, not --</p> <p>12 Q Oh, okay. What -- what action are you</p> <p>13 taking now to do that?</p> <p>14 A I am changing the filter on this program</p> <p>15 just to run for that specific requisition 832.</p> <p>16 Q All right. Proceed.</p> <p>17 A Then I am changing that to add that to the</p> <p>18 criteria. So I've submitted the program to run.</p> <p>19 Q Now how can you tell that that change has</p> <p>20 been made?</p> <p>21 A I can look at the results of the process.</p> <p>22 Q And what does this results screen show you?</p> |

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| <p>331</p> <p>1 A This shows all the processes, the jobs</p> <p>2 we've run, and gives a report on the success or</p> <p>3 failure of them.</p> <p>4 Q So what does it indicate with respect to</p> <p>5 that requisition?</p> <p>6 A If I pull up the report --</p> <p>7 Q What is this information telling you?</p> <p>8 A It's telling me that it had an error when</p> <p>9 it ran.</p> <p>10 Q Oh, okay. If the program ran successfully,</p> <p>11 what results would you expect to obtain?</p> <p>12 A Within that report it would list the</p> <p>13 purchase orders that were -- were created.</p> <p>14 Q How many purchase orders would you have</p> <p>15 expected to have been created from the requisition</p> <p>16 that we created?</p> <p>17 A Two.</p> <p>18 Q And to whom would those purchase orders be</p> <p>19 addressed?</p> <p>20 A I can't recall the -- the vendors. The</p> <p>21 vendors that we had on each of those items.</p> <p>22 Q So there would be one generated for each</p> | <p>333</p> <p>1 Q Is there any way for a supplier to indicate</p> <p>2 in the PO acknowledgment that the particular item</p> <p>3 that was ordered is not in stock at the supplier's</p> <p>4 warehouse?</p> <p>5 A Yes.</p> <p>6 Q How can the supplier do that?</p> <p>7 A In the EDI 855 transaction, they would</p> <p>8 specify that information.</p> <p>9 Q Can you show us the EDI 855 transaction?</p> <p>10 A I cannot show that.</p> <p>11 Q Okay. Thank you. I think I'm done with my</p> <p>12 questions on the demonstration.</p> <p>13 A Okay.</p> <p>14 MS. ALBERT: Can we take a short recess?</p> <p>15 THE VIDEOGRAPHER: We are going off the</p> <p>16 record. The time is 10:40 a.m.</p> <p>17 (Recess, at which time Mr. Schultz and</p> <p>18 Ms. Albert left the deposition.)</p> <p>19 THE VIDEOGRAPHER: This marks the beginning</p> <p>20 of Tape No. 2. We are back on the record. The time</p> <p>21 is 11:12 a.m.</p> <p>22 MS. HUGHEY: Actually, Scott, before we go</p> |
| <p>332</p> <p>1 different supplier that had an item -- a line item</p> <p>2 in the requisition?</p> <p>3 A Yes.</p> <p>4 Q And what would be generated with respect to</p> <p>5 the line item that we were obtaining from the user's</p> <p>6 internal inventory?</p> <p>7 A It would -- it would create a pick ticket</p> <p>8 that would be used to pick from inventory.</p> <p>9 Q Is there any way to demonstrate, on this</p> <p>10 demonstration system, a supplier's purchase order</p> <p>11 confirmation process?</p> <p>12 A Yes.</p> <p>13 Q Can you do that, please.</p> <p>14 A (Witness complied.)</p> <p>15 Q What screen are you --</p> <p>16 A This is the Transmitted PO Acknowledgment.</p> <p>17 Q And that's associated with procedure PO122;</p> <p>18 is that correct?</p> <p>19 A That's correct.</p> <p>20 Q What are you waiting to run?</p> <p>21 A So we put in the text file. It basically</p> <p>22 comes from the EDI transaction and gets translated.</p> | <p>334</p> <p>1 on the -- while we're on the record but before you</p> <p>2 get to the exhibits, we were talking about</p> <p>3 Keith's -- Lawson's internal pricing on Supply Chain</p> <p>4 Management yesterday. Those documents should have</p> <p>5 been produced with his files, but we just sent you</p> <p>6 via e-mail this morning the electronic versions of</p> <p>7 the most recent ones that were, I believe, updated</p> <p>8 after he produced his files, and I can give you the</p> <p>9 Bates range of those.</p> <p>10 MR. ROBERTSON: Okay. That'd be great.</p> <p>11 MS. HUGHEY: L 0234900 to L 0235180.</p> <p>12 MR. SPENDLOVE: Thank you.</p> <p>13 MR. ROBERTSON: We'll see if we can maybe</p> <p>14 just pull one to quickly just go through and</p> <p>15 understand the structure of it. I don't think</p> <p>16 that's going to be a problem, it'll probably be</p> <p>17 self-evident. I don't think it'd be controversial</p> <p>18 as to what the content is in those.</p> <p>19 While we're doing this, let me get this out</p> <p>20 of the way. Mr. Lohkamp has been here in his</p> <p>21 personal capacity and he's also been a Rule 30(b)(6)</p> <p>22 designee, and we're going to be talking about some</p> |

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| <p>335</p> <p>1 of those topics today. I mean, I'll just observe</p> <p>2 that over, I think, the last 3 business days or 4</p> <p>3 business days there have been something like a half</p> <p>4 a million pages of documents produced.</p> <p>5 Quite frankly, we haven't had a chance to</p> <p>6 review those half a million pages. I don't know if</p> <p>7 it's going to implicate Mr. Lohkamp's deposition.</p> <p>8 I'll make every effort to make sure or to endeavor</p> <p>9 that it doesn't, but, as I say, we'd reserve the</p> <p>10 right to call back Mr. Lohkamp if we had to because</p> <p>11 there were some key documents in the new production</p> <p>12 that we needed to discuss with him, either in his</p> <p>13 individual capacity or as a corporate designee</p> <p>14 witness.</p> <p>15 CONTINUED EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>16 BY MR. ROBERTSON:</p> <p>17 Q But having said that, Mr. Lohkamp, I'd like</p> <p>18 to direct you back to what was Exhibit 23. It was</p> <p>19 the second Notice of Deposition under Rule 30(b)(6).</p> <p>20 Specifically, if you go to page 13, we're going to</p> <p>21 be talking with respect to Topics 17 and 18.</p> <p>22 A Okay.</p> | <p>337</p> <p>1 that don't appear on this page?</p> <p>2 A No.</p> <p>3 Q Okay. So with the exception of supply</p> <p>4 chain -- excuse me -- the exception of the point</p> <p>5 of -- why can't I remember this?</p> <p>6 MR. SPENDLOVE: Point of use.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q -- point of use application, everything</p> <p>9 else -- all the other Supply Chain Management</p> <p>10 applications are contained on this page?</p> <p>11 A Yes.</p> <p>12 Q Okay. All right. Topic No. 17 in the</p> <p>13 second notice has to do with Lawson Procurement</p> <p>14 Punchout, including its design, operation,</p> <p>15 functionality, standards, uses, integration with</p> <p>16 Lawson's requisitions -- Requisitions Self-Service</p> <p>17 and other Lawson eProcurement products and services.</p> <p>18 So I'd like to talk a little bit about that.</p> <p>19 We've gone through some punchout documents</p> <p>20 that have been identified before, but let me ask you</p> <p>21 a few questions. Do you know who the principal</p> <p>22 design engineer was for Lawson Procurement Punchout?</p> |
| <p>336</p> <p>1 Q And I asked you before we started if you</p> <p>2 would pull out Exhibit 18, which was this PowerPoint</p> <p>3 that you had assisted in preparing, and,</p> <p>4 specifically, I -- I'd like to just refer you to the</p> <p>5 page that ends with the Bates label '238, which was</p> <p>6 the S3 Supply Chain Management Suite of</p> <p>7 applications.</p> <p>8 A Okay.</p> <p>9 Q And I just want to use this as sort of a</p> <p>10 reference point because it seems to me to be at</p> <p>11 least one example of what is a somewhat</p> <p>12 comprehensive list of the applications that are</p> <p>13 contained within the S3 Supply Chain Management</p> <p>14 Suite. Okay?</p> <p>15 A Okay.</p> <p>16 Q I think you identified a few others that</p> <p>17 are not contained in this page of Exhibit 18, one of</p> <p>18 which I thought was the point of use application; is</p> <p>19 that right?</p> <p>20 A Yes.</p> <p>21 Q Are there any other S3 Supply Chain</p> <p>22 Management Suite applications that you're aware of</p> | <p>338</p> <p>1 A No, I don't.</p> <p>2 Q Okay. Were you involved in the design?</p> <p>3 A No.</p> <p>4 Q You have been involved in various</p> <p>5 presentations both internally at Lawson and to</p> <p>6 external audiences such as prospective customers as</p> <p>7 to the capabilities of Procurement Punchout,</p> <p>8 correct?</p> <p>9 A Yes.</p> <p>10 Q Does -- the Procurement Punchout, can it be</p> <p>11 used with the Requisitions Self-Service?</p> <p>12 A Yes.</p> <p>13 Q And can it be used simply with Lawson</p> <p>14 Procurement and the five modules that fall within</p> <p>15 that application?</p> <p>16 A Could you repeat the question?</p> <p>17 Q Yeah. I understand that punchout can be</p> <p>18 used with Requisitions Self-Service. There's also a</p> <p>19 Lawson Procurement application that has a</p> <p>20 requisition purchase order, inventory control module</p> <p>21 that are part of it; isn't that correct?</p> <p>22 A Yes.</p> |

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| <p>339</p> <p>1 Q Okay. So my question is, can the</p> <p>2 Procurement Punchout be utilized with that Lawson</p> <p>3 Procurement application?</p> <p>4 A Yes.</p> <p>5 Q All right. Does -- there's also a -- a</p> <p>6 Lawson EDI communication protocol with vendors to,</p> <p>7 as I understand it, retrieve item information and</p> <p>8 populate the Item Master, correct?</p> <p>9 A Yes.</p> <p>10 Q Okay. Can you use -- do customers utilize</p> <p>11 the Lawson EDI and Lawson punchout, or are they</p> <p>12 mutually exclusive?</p> <p>13 A They're mutually exclusive.</p> <p>14 Q Okay. So if you have Lawson Punchout,</p> <p>15 you're not going to get Lawson EDI; is that fair to</p> <p>16 say?</p> <p>17 A I'm not sure I exactly understand what</p> <p>18 you're -- the question.</p> <p>19 Q Well, customers who want to -- who are</p> <p>20 buyers --</p> <p>21 A Mm-hmm.</p> <p>22 Q -- need to obtain data with respect to</p> | <p>341</p> <p>1 use the requisition modules or Requisitions</p> <p>2 Self-Service to obtain data with respect to items</p> <p>3 for sale from vendors?</p> <p>4 A By searching -- searching the Item Master,</p> <p>5 the items in the Item Master.</p> <p>6 Q Okay. The Item Master -- the purchaser --</p> <p>7 the user of the Lawson Procurement application can</p> <p>8 search the Item Master, which -- which could be</p> <p>9 populated with information about items for sale,</p> <p>10 right?</p> <p>11 A Yes.</p> <p>12 Q Okay. One of the services that Lawson will</p> <p>13 provide is to populate that Item Master for the</p> <p>14 buyer; isn't that right?</p> <p>15 A No.</p> <p>16 Q Lawson never provides that service?</p> <p>17 A Well, Lawson does provide the item -- the</p> <p>18 historical file conversion from a previous system.</p> <p>19 Q Okay.</p> <p>20 A They provide that.</p> <p>21 Q So you would transfer the item data from</p> <p>22 one system into the Lawson Item Master system?</p> |
| <p>340</p> <p>1 items for sale from vendors, right?</p> <p>2 A Yes.</p> <p>3 Q I mean, that's just a given, right? I</p> <p>4 mean, the system doesn't work without having item</p> <p>5 data that you can access and then create</p> <p>6 requisitions and purchase orders as part of the</p> <p>7 Supply Chain Management process, right?</p> <p>8 A Right.</p> <p>9 Q All right. Can you tell me the way -- the</p> <p>10 ways you understand that a customer who's a buyer, a</p> <p>11 user of the Lawson Procurement application can</p> <p>12 access that data with respect to items that are</p> <p>13 being offered by vendor?</p> <p>14 I mean, one way we discussed is the</p> <p>15 punchout, where you actually go to a vendor's web</p> <p>16 site and then can see what items are available for</p> <p>17 sale, bring that data back, import it into the</p> <p>18 requisition user interface, and then move forward in</p> <p>19 the purchase process, right?</p> <p>20 A Right.</p> <p>21 Q Okay. What other ways besides the</p> <p>22 Procurement Punchout are there that the buyer can</p> | <p>342</p> <p>1 A Correct.</p> <p>2 Q Does Lawson ever provide CD-ROMs that</p> <p>3 contain catalog information from vendors to buyers</p> <p>4 to populate their Item Master?</p> <p>5 A Not that I'm aware of.</p> <p>6 Q Does Lawson ever contract with suppliers of</p> <p>7 catalog content to populate the Item Master?</p> <p>8 A Not that I'm aware of.</p> <p>9 Q What about GHX, didn't Lawson enter into a</p> <p>10 partnership with GHX for a period of time in which</p> <p>11 they provided item data content?</p> <p>12 A Yes, for -- for the customer.</p> <p>13 Q When you say yes for the customer, I mean</p> <p>14 who else would it be for?</p> <p>15 A No one else.</p> <p>16 Q Okay. Is there another manner in which a</p> <p>17 customer can access data with respect to items for</p> <p>18 sale by vendors other than the punchout process and</p> <p>19 this Item Master that can be populated with the</p> <p>20 data?</p> <p>21 A Yes.</p> <p>22 Q And what would that be?</p> |

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| <p>343</p> <p>1 A The EDI 832 price catalog process.</p> <p>2 Q And is that a Lawson offering?</p> <p>3 A The EDI for Supply Chain Management product</p> <p>4 is.</p> <p>5 Q And how does the EDI for Supply Chain</p> <p>6 Management facilitate the process of permitting a</p> <p>7 buyer to access data about items for sale from</p> <p>8 vendors?</p> <p>9 A The vendor creates an EDI 832 file, sends</p> <p>10 that electronically. That gets translated into a</p> <p>11 file that can be loaded into the Item Master and</p> <p>12 into the Vendor Agreements.</p> <p>13 Q Does the Lawson Procurement Punchout work</p> <p>14 with any other Supply Chain Management application</p> <p>15 other than Lawson Procurement and Lawson</p> <p>16 Requisitions Self-Service?</p> <p>17 A No.</p> <p>18 Q We talked yesterday about the various</p> <p>19 revenue streams that are generated by the sale of</p> <p>20 Supply Chain Management applications, including</p> <p>21 licensing, maintenance, and associated servicing</p> <p>22 fees that are time plus materials. Do you recall</p> | <p>345</p> <p>1 would you consider that to be? Service?</p> <p>2 Maintenance? License?</p> <p>3 A Service.</p> <p>4 Q Okay. We talked a little bit about</p> <p>5 providing customer support through an online</p> <p>6 availability to answer questions. That falls within</p> <p>7 service?</p> <p>8 A No.</p> <p>9 Q What does that fall within?</p> <p>10 A Maintenance.</p> <p>11 Q Okay. We talked about having a -- the</p> <p>12 ability to contact a representative of Lawson over</p> <p>13 the telephone to answer questions. Does Lawson</p> <p>14 charge a fee for that?</p> <p>15 A Yes.</p> <p>16 Q Would that fall within service or</p> <p>17 maintenance?</p> <p>18 A Maintenance.</p> <p>19 Q We talked about updating versions of the</p> <p>20 software, new versions of the software that might</p> <p>21 come available through development. I understood</p> <p>22 that to fall under maintenance; is that right?</p> |
| <p>344</p> <p>1 that?</p> <p>2 A Yes.</p> <p>3 Q Okay. I'd like to try and identify some of</p> <p>4 the services that Lawson offers. We touched upon it</p> <p>5 a little bit yesterday, but I'd like to try and go</p> <p>6 through a somewhat more comprehensive list if I can.</p> <p>7 So let me -- let me see if I can throw some out, and</p> <p>8 you tell me whether you consider them services or --</p> <p>9 or maintenance.</p> <p>10 You -- you started to reach for Exhibit 18.</p> <p>11 Did you think that there might be something in here</p> <p>12 about those or are you just --</p> <p>13 A No. I was just -- I was just -- I just was</p> <p>14 moving it. Sorry.</p> <p>15 Q Installation, is that -- what would that</p> <p>16 activity fall under? Would that be considered a</p> <p>17 service that Lawson would charge?</p> <p>18 A Yes.</p> <p>19 Q So that would be a service fee, not a</p> <p>20 license fee or maintenance fee?</p> <p>21 A Correct.</p> <p>22 Q Okay. Implementation of the software, what</p> | <p>346</p> <p>1 A Yes.</p> <p>2 Q Okay. And we talked about patches that</p> <p>3 might be necessary if there were certain glitches</p> <p>4 with the software, bugs that needed to be resolved.</p> <p>5 That falls under maintenance?</p> <p>6 A Yes.</p> <p>7 Q Okay. I assume that there's a set of user</p> <p>8 guides and user manuals. I've seen some of those</p> <p>9 associated with the products. Does Lawson charge a</p> <p>10 fee for that, or does that come along with the</p> <p>11 license to the product?</p> <p>12 A It comes along with the license.</p> <p>13 Q Okay. We talked a little bit about the</p> <p>14 fact that just now that there could be -- that a</p> <p>15 customer who is coming to a new Lawson supply</p> <p>16 chain -- Supply Chain Management system might have</p> <p>17 an existing database of items that it regularly</p> <p>18 requisitions, and Lawson would transfer that</p> <p>19 database of information to the Item Master as part</p> <p>20 of the Lawson system. I understood that to be a</p> <p>21 service that Lawson could provide if requested?</p> <p>22 A Yes.</p> |

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| <p>347</p> <p>1 Q And that would fall under service revenues;</p> <p>2 is that right?</p> <p>3 A Yes.</p> <p>4 Q Okay. We also talked about the fact that</p> <p>5 there might be the need for a Lawson consultant to</p> <p>6 actually visit with the customer to do -- and</p> <p>7 conduct training. Do you recall that?</p> <p>8 A Yes.</p> <p>9 Q That would be a service that Lawson would</p> <p>10 charge a fee for?</p> <p>11 A Yes.</p> <p>12 Q Can you tell me what other consulting fees</p> <p>13 or consulting services are available that Lawson may</p> <p>14 charge a fee for with respect to Supply Chain</p> <p>15 Management specifically?</p> <p>16 A So we talked about installation, app</p> <p>17 configuration, training, could provide managed</p> <p>18 services, which is --</p> <p>19 Q What are those?</p> <p>20 A Those are hosting, hosting services for the</p> <p>21 system itself.</p> <p>22 Q So Lawson would actually host the system</p> | <p>349</p> <p>1 Q It's the same -- same kind of licensing fee</p> <p>2 arrangement?</p> <p>3 A Yes.</p> <p>4 Q Why would someone prefer to have Lawson</p> <p>5 host it as opposed to having -- them have it on</p> <p>6 their own systems?</p> <p>7 A The customer may want to not have to manage</p> <p>8 the servers or manage the updates to the</p> <p>9 application.</p> <p>10 Q Could you give me a rough estimate as to</p> <p>11 how many people select the hosting option as opposed</p> <p>12 to having the system operating on their own servers?</p> <p>13 A I don't know the -- the number.</p> <p>14 Q I mean, roughly 50/50? 70/30?</p> <p>15 A It is less than 50 percent.</p> <p>16 Q Okay. But it -- the pricing for hosting</p> <p>17 versus having the system operate on your own servers</p> <p>18 doesn't deviate. Is that what I understood you to</p> <p>19 say? It's the same?</p> <p>20 A The software license pricing is the same.</p> <p>21 Q Okay. Maintenance would be different then,</p> <p>22 correct?</p> |
| <p>348</p> <p>1 instead of the customer having the -- the software</p> <p>2 operating on its systems?</p> <p>3 A Yes, Lawson provides a program to do that,</p> <p>4 yes.</p> <p>5 Q It's accessed over the web?</p> <p>6 A Yes.</p> <p>7 Q Okay. So the customer doesn't have --</p> <p>8 actually have to have the software operating on</p> <p>9 its -- on its internal system. It just accesses a</p> <p>10 system that Lawson's operating that makes it</p> <p>11 available so that they can purchase items from</p> <p>12 vendors; is that right?</p> <p>13 A Yes.</p> <p>14 Q Okay. And this -- this hosting operation</p> <p>15 that Lawson conducts, does that also include</p> <p>16 Procurement Punchout?</p> <p>17 A It could.</p> <p>18 Q Are the license fees different for this</p> <p>19 hosting operation as opposed to, you know, a sale of</p> <p>20 the software directly to a customer who then</p> <p>21 implements it on their own operating systems?</p> <p>22 A No.</p> | <p>350</p> <p>1 A No.</p> <p>2 Q The maintenance fees would be the same</p> <p>3 notwithstanding that Lawson was doing the hosting?</p> <p>4 A Well, there's -- there's a particular</p> <p>5 program for application maintenance and a particular</p> <p>6 fee associated -- associated with that.</p> <p>7 Q Okay. But hosting is considered a service</p> <p>8 revenue; is that right?</p> <p>9 A I am not -- I'm not sure how it's</p> <p>10 categorized.</p> <p>11 Q I've seen some references to learning tools</p> <p>12 that Lawson offers with respect to its software</p> <p>13 applications. Are you familiar with those?</p> <p>14 A Yes.</p> <p>15 Q Okay. That would be a service?</p> <p>16 A Yes.</p> <p>17 Q Can you give me some examples of the</p> <p>18 learning tools?</p> <p>19 A Learning tool is online recorded training,</p> <p>20 classroom training. There's web-based -- web-based</p> <p>21 classes for customers.</p> <p>22 Q Are all those services sort of as an</p> |

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| <p>351</p> <p>1 as-requested pricing, or do a certain set amount of</p> <p>2 services come along with a license?</p> <p>3 A It's as requested.</p> <p>4 Q So I mean, assuming the company's fairly</p> <p>5 sophisticated in its information technology needs,</p> <p>6 they may not require a lot of these training</p> <p>7 consultant services, online services, or whatnot,</p> <p>8 They might -- so their services fees would not be</p> <p>9 significant; whereas another company maybe smaller,</p> <p>10 maybe not as sophisticated might require a lot more</p> <p>11 hand-holding. Is that fair to say that that occurs?</p> <p>12 A You know, that's -- that's a possibility.</p> <p>13 Q When you say services, they're always time</p> <p>14 plus materials?</p> <p>15 A No.</p> <p>16 Q What -- what examples do you have that are</p> <p>17 not time plus material?</p> <p>18 A The learning, learning solutions.</p> <p>19 Q They're a fixed fee?</p> <p>20 A They -- yes, they could be a fixed amount</p> <p>21 based upon what people decide to purchase.</p> <p>22 Q So as you sit here right now, is there any</p> | <p>353</p> <p>1 A I believe so.</p> <p>2 Q So it's not part of the license fee? For</p> <p>3 example, if I were going to get a Supply Chain</p> <p>4 Management Suite that included Lawson Procurement</p> <p>5 and Lawson Procurement Punchout, there'd be a</p> <p>6 separate fee for this Lawson accelerator tool?</p> <p>7 A Yes.</p> <p>8 Q And what does the accelerator tool</p> <p>9 precisely depict?</p> <p>10 A It can be used to create videos or</p> <p>11 essentially step-by-step instructions for end users</p> <p>12 for using a portion of the application.</p> <p>13 Q Okay. So, for example, I want to</p> <p>14 understand how to do Procurement Punchout, this</p> <p>15 accelerator tool could actually do a series of</p> <p>16 screen shots that would show the punchout process</p> <p>17 as, you know, I accessed an external web site data</p> <p>18 and imported it back into my requisition form, that</p> <p>19 kind of thing?</p> <p>20 A I'm not exactly sure on all the details of</p> <p>21 how -- how the product -- product works.</p> <p>22 Q But it's supposed to be illustrating an</p> |
| <p>352</p> <p>1 other manner, way, or form that you can recall that</p> <p>2 Lawson would assist or -- or aid or instruct their</p> <p>3 customers on the use of the Supply Chain Management</p> <p>4 applications?</p> <p>5 MS. HUGHEY: Objection, vague.</p> <p>6 BY MR. ROBERTSON:</p> <p>7 Q Other than what we've mentioned so far,</p> <p>8 A Yes.</p> <p>9 Q What would that be?</p> <p>10 A There's learning accelerator tool.</p> <p>11 Q What's that, sir?</p> <p>12 A It's a software tool that allows you to</p> <p>13 have simulations of -- of processes, so you can roll</p> <p>14 that training out to your end users.</p> <p>15 Q And how does the company charge for that</p> <p>16 tool?</p> <p>17 A I believe the learning accelerator is a</p> <p>18 license.</p> <p>19 Q It's a license fee?</p> <p>20 A I believe so.</p> <p>21 Q Is it a separate product offering that's</p> <p>22 licensed?</p> | <p>354</p> <p>1 actual -- in the instance of Supply Chain</p> <p>2 Management, an actual purchase process flow, for</p> <p>3 example, right?</p> <p>4 A A customer could use that to create a</p> <p>5 pro- -- a process flow for their organization of</p> <p>6 how -- how to use some application or how to conduct</p> <p>7 a business process within their organization and</p> <p>8 have that available to their end users the help them</p> <p>9 out.</p> <p>10 Q Does the customer design the process flow</p> <p>11 for the particular application, or does Lawson do it</p> <p>12 pursuant to their request?</p> <p>13 A Typically the customer, the customer does</p> <p>14 it.</p> <p>15 Q So the customer knows that there's going to</p> <p>16 be a particular process that's going to be fairly</p> <p>17 commonplace, and they want to be able to educate</p> <p>18 their employees as to how to perform that using the</p> <p>19 Lawson application; is that right?</p> <p>20 A Yes.</p> <p>21 Q Okay. Does this accelerator tool that you</p> <p>22 mentioned, does it -- can it be -- can it conform to</p> |

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| <p>355</p> <p>1 the procurement process we've been discussing? Let</p> <p>2 me rephrase that.</p> <p>3 Can you utilize this tool to help</p> <p>4 illustrate and demonstrate how the Procurement</p> <p>5 applications perform?</p> <p>6 A Yes.</p> <p>7 Q It's also relevant to a lot of the other S3</p> <p>8 product lines that we've been talking about, like</p> <p>9 finance management, it could be used for that?</p> <p>10 A Yes.</p> <p>11 Q Human resource?</p> <p>12 A Yes.</p> <p>13 Q So it's a versatile tool that's designed to</p> <p>14 be able to show you how to utilize a lot of the</p> <p>15 various applications within the S3 product line,</p> <p>16 correct?</p> <p>17 A It's designed to allow you to create those</p> <p>18 demonstrations and share that with your end users.</p> <p>19 Q Okay. And that's -- that would be --</p> <p>20 someone would have to pay a separate license fee at</p> <p>21 the time that they're contracting with Lawson to</p> <p>22 obtain that accelerator tool, right?</p> | <p>357</p> <p>1 A Enterprise Financial Management.</p> <p>2 Q And that leaves Supply Chain Management as</p> <p>3 the third most popular of the suites in the S3</p> <p>4 product line, correct?</p> <p>5 A Yes.</p> <p>6 Q Okay. Do you have any estimate of what</p> <p>7 percentage of the customers of the S3 product line</p> <p>8 select the Supply Chain Management Suite or some</p> <p>9 configure of applications, you know, that are a</p> <p>10 subset of that suite?</p> <p>11 A I don't know the exact percentage on that.</p> <p>12 It's over -- over 50 percent.</p> <p>13 Q Okay. So, I mean, when someone gets an S3</p> <p>14 product line, they have the option of getting all --</p> <p>15 getting applications within all three suites of that</p> <p>16 product line, correct?</p> <p>17 A Yes.</p> <p>18 Q Can you tell me if the majority of the time</p> <p>19 people get the three applications? Do you</p> <p>20 understand my question?</p> <p>21 A No, I don't.</p> <p>22 Q There are three application -- there are</p> |
| <p>356</p> <p>1 A Yes.</p> <p>2 Q Do you know how often people, customers</p> <p>3 want that accelerator tool?</p> <p>4 A No, I don't know.</p> <p>5 Q We've talked about the S3 product line</p> <p>6 which has a number of various suites within it. The</p> <p>7 one we've been focusing on is Supply Chain</p> <p>8 Management, right?</p> <p>9 A Yes.</p> <p>10 Q Okay. How many -- rough estimate, how many</p> <p>11 product suites fall within the -- the S3 product</p> <p>12 line?</p> <p>13 A Three.</p> <p>14 Q And what are those three?</p> <p>15 A Supply Chain Management, Enterprise</p> <p>16 Financial Management, and Human Resources</p> <p>17 Management.</p> <p>18 Q Okay. Of -- of those three, which is the</p> <p>19 one that is most in demand?</p> <p>20 A Human resources suite.</p> <p>21 Q Okay. What's the second suite that's most</p> <p>22 in demand?</p> | <p>358</p> <p>1 three suites available that you identified: Human</p> <p>2 Resource, Enterprise Finance, and Supply Chain</p> <p>3 Management. Do people get those three more often --</p> <p>4 often than not at the same time?</p> <p>5 A Yeah, I -- I don't know exactly what the</p> <p>6 percentage breakdowns would be.</p> <p>7 Q Okay. But -- but you do -- you did</p> <p>8 indicate that the -- the one they get the most is</p> <p>9 going to be Human Resource?</p> <p>10 A Right.</p> <p>11 Q The second one they get the most is going</p> <p>12 to be the Enterprise Finance, and the third one they</p> <p>13 get the most is going to be Supply Chain Management,</p> <p>14 correct?</p> <p>15 A Correct.</p> <p>16 Q Okay. And then I understood you to say</p> <p>17 that more than 50 percent of the customers who are</p> <p>18 going to get an S3 product line get Supply Chain</p> <p>19 Management, correct?</p> <p>20 A Correct.</p> <p>21 Q So assuming my logic holds up here, I can</p> <p>22 infer from that that people -- since Supply Chain</p> |

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| <p>359</p> <p>1 Management is at least the third in the ranking but</p> <p>2 it's more than 50 percent, at least more than 50</p> <p>3 percent of the time people are getting Supply Chain</p> <p>4 Management and one of the other product suites.</p> <p>5 correct?</p> <p>6 MS. HUGHEY: Objection, mischaracterizes</p> <p>7 the witness's earlier testimony.</p> <p>8 THE WITNESS: Yeah, I'm not -- not certain</p> <p>9 of that.</p> <p>10 BY MR. ROBERTSON:</p> <p>11 Q Would S3 product line be a viable product</p> <p>12 if it could not contain Supply Chain Management</p> <p>13 Suite of applications?</p> <p>14 A Yes.</p> <p>15 Q It's your position that Lawson could</p> <p>16 compete in the marketplace with an S3 product that</p> <p>17 only had human resource and enterprise finance</p> <p>18 suites?</p> <p>19 A Yes.</p> <p>20 Q And if Lawson couldn't offer Supply Chain</p> <p>21 Management to any customers, would that have an</p> <p>22 impact on its revenues?</p> | <p>361</p> <p>1 BY MR. ROBERTSON:</p> <p>2 Q Would it be a material event to the company</p> <p>3 if the company could no longer offer a Supply Chain</p> <p>4 Management Suite of applications?</p> <p>5 MS. HUGHEY: Objection, vague.</p> <p>6 THE WITNESS: It would impact its revenue.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q And do you think that would be a material</p> <p>9 event for its shareholders?</p> <p>10 MS. HUGHEY: Same objection.</p> <p>11 THE WITNESS: I don't know how to define a</p> <p>12 material event.</p> <p>13 BY MR. ROBERTSON:</p> <p>14 Q Do you know if Lawson's taken any steps</p> <p>15 since the filing of this lawsuit to change its</p> <p>16 operations at all with respect to Supply Chain</p> <p>17 Management applications?</p> <p>18 A What sort of things would you mean by</p> <p>19 change its op?</p> <p>20 Q Well, has it done anything in response to</p> <p>21 the fact that there has a -- been -- there has been</p> <p>22 a lawsuit filed that is directed towards certain</p> |
| <p>360</p> <p>1 A I would believe so.</p> <p>2 Q Significant impact?</p> <p>3 MS. HUGHEY: Objection, vague.</p> <p>4 THE WITNESS: Yeah, I don't know what, you</p> <p>5 know, significant would mean.</p> <p>6 BY MR. ROBERTSON:</p> <p>7 Q Well, at least more than 50 percent of the</p> <p>8 license fees and maintenance fees and some</p> <p>9 associated services fees for Supply Chain Management</p> <p>10 wouldn't be realized if it couldn't be offered,</p> <p>11 right?</p> <p>12 MS. HUGHEY: Objection, mischaracterizes</p> <p>13 the witness's earlier testimony.</p> <p>14 THE WITNESS: The -- the Supply Chain</p> <p>15 Management revenue obviously couldn't be -- couldn't</p> <p>16 be realized if we couldn't offer it.</p> <p>17 BY MR. ROBERTSON:</p> <p>18 Q How important is the Supply Chain</p> <p>19 Management Suite of applications to the S3 product?</p> <p>20 MS. HUGHEY: Objection, vague.</p> <p>21 THE WITNESS: Yeah, I don't -- don't know</p> <p>22 how to define important.</p> | <p>362</p> <p>1 functionality within the Supply Chain Management</p> <p>2 Suite of products?</p> <p>3 A Yes.</p> <p>4 Q What has it done, sir?</p> <p>5 A We basically check in with -- with our</p> <p>6 counsel about -- about things we're doing around the</p> <p>7 product.</p> <p>8 Q You mean new developments for the product?</p> <p>9 A New developments for the product.</p> <p>10 Q Has Lawson put on hold any new development</p> <p>11 of the Supply Chain Management Suite applications</p> <p>12 because this lawsuit's been filed?</p> <p>13 A Yes.</p> <p>14 Q What would that be, sir?</p> <p>15 A An enhancement to -- an enhancement to</p> <p>16 bring in an item number through punchout.</p> <p>17 Q Is that it?</p> <p>18 A That's it.</p> <p>19 Q That's the only enhancement or modification</p> <p>20 or new development that's been put on hold as a</p> <p>21 result of this lawsuit?</p> <p>22 MS. HUGHEY: Objection, asked and answered.</p> |

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| <p>363</p> <p>1 THE WITNESS: Yes.</p> <p>2 BY MR. ROBERTSON:</p> <p>3 Q Are you aware that there was a proposal to</p> <p>4 permit Procurement Punchout to simultaneously</p> <p>5 punchout to multiple vendors at the same time?</p> <p>6 MS. HUGHEY: Objection, foundation. Vague.</p> <p>7 THE WITNESS: No, I'm not sure what you're</p> <p>8 referring to.</p> <p>9 BY MR. ROBERTSON:</p> <p>10 Q Well, the Procurement Punchout right now,</p> <p>11 does it have the ability to punchout only to one</p> <p>12 vendor at a time?</p> <p>13 A Yes.</p> <p>14 Q Okay. You're not aware of a proposal that</p> <p>15 was to modify the Procurement Punchout to permit it</p> <p>16 to punchout to multiple vendors simultaneously?</p> <p>17 MS. HUGHEY: Same objection.</p> <p>18 THE WITNESS: No, not -- not specifically.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Okay. Nonspecifically? Did you hear about</p> <p>21 it?</p> <p>22 A Well, there was an idea to have search --</p> | <p>365</p> <p>1 notice pursuant to Rule 30(b)(6), Exhibit 22, has to</p> <p>2 do with the cost savings, expenditure reductions,</p> <p>3 price reductions, or other economic benefits</p> <p>4 realized by Lawson customers directly or indirectly</p> <p>5 related to the use, implementation, or availability</p> <p>6 of these Procurement applications we've been talking</p> <p>7 about.</p> <p>8 Okay? Are you with me on that?</p> <p>9 A Yes.</p> <p>10 Q Now I don't expect you to have all this</p> <p>11 information committed to memory. But what I'd like</p> <p>12 to do is to see if you can tell me what kind of</p> <p>13 documents might exist first that might have internal</p> <p>14 analyses of these economic issues and benefits</p> <p>15 related to the Procurement applications we've been</p> <p>16 discussing. All right? That's what I'd like to</p> <p>17 start with.</p> <p>18 A Okay.</p> <p>19 Q All right. Does Lawson do any kind of</p> <p>20 internal analysis of the benefits that are conferred</p> <p>21 upon their customers by using an electronic</p> <p>22 Procurement application as opposed to, say, the</p> |
| <p>364</p> <p>1 potentially search multiple catalogs.</p> <p>2 Q Okay. What happened with that?</p> <p>3 A That was -- that's put on hold.</p> <p>4 Q Because of the lawsuit?</p> <p>5 A Yes.</p> <p>6 Q The Procurement Punchout that -- as</p> <p>7 presently configured can punchout to a vendor,</p> <p>8 import data back into a requisition module, and then</p> <p>9 punchout to another vendor and import that data back</p> <p>10 into the requisition, correct?</p> <p>11 A Correct.</p> <p>12 Q It can do that serially, as many times as</p> <p>13 you want?</p> <p>14 A Yes.</p> <p>15 Q Why don't we go to the other deposition</p> <p>16 notice, which was Exhibit 22. And if you go to page</p> <p>17 10, that's where the topics begin. And I'm going to</p> <p>18 start -- I understand you were designated on Topics</p> <p>19 1, 2, 3, 5, 6, and 7, correct?</p> <p>20 A Correct.</p> <p>21 Q I mean, I'm going to take them in that</p> <p>22 order. So Topic No. 1 of the first deposition</p> | <p>366</p> <p>1 old-fashioned manual process, paper process?</p> <p>2 A Yes.</p> <p>3 Q Who's -- who's responsible for that?</p> <p>4 A The marketing team.</p> <p>5 Q Okay. Do they actually crunch numbers to</p> <p>6 show the benefits that an electronic Procurement</p> <p>7 application we've been discussing would have as</p> <p>8 opposed to the old manual paper-based operation?</p> <p>9 A No.</p> <p>10 Q Okay. What kind of analysis is it?</p> <p>11 A It's case studies of what customers have</p> <p>12 reported they've realized.</p> <p>13 Q So it's reflecting actual real world</p> <p>14 experience as to the cost savings that were achieved</p> <p>15 by using the Lawson application, correct?</p> <p>16 A Correct.</p> <p>17 Q Do those case studies have a particular</p> <p>18 name?</p> <p>19 A Yes.</p> <p>20 Q What are they called?</p> <p>21 A Realized value case studies.</p> <p>22 Q Do you know whether those documents were</p> |

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| <p>367</p> <p>1 collected and produced in this case?</p> <p>2 A I don't know for certain.</p> <p>3 Q I don't know either.</p> <p>4 MR. ROBERTSON: But to the extent they were</p> <p>5 not, Rachel, we would ask for those real world case</p> <p>6 studies that reflect the benefits of the product.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q The next issue here was expenditure</p> <p>9 reductions with respect to the Procurement</p> <p>10 application. Would you expect those -- the</p> <p>11 documents you just referenced to be the same -- same</p> <p>12 thing, cost savings, expenditure reductions that</p> <p>13 would be encompassed within that document?</p> <p>14 A Yes, if the customer reported those things.</p> <p>15 Q Okay. There's not any other kind of</p> <p>16 analysis that's done other than to sort of recount</p> <p>17 the real world experience of the customers using the</p> <p>18 application; is that right?</p> <p>19 A No.</p> <p>20 Q There is another type of analysis?</p> <p>21 A There is another.</p> <p>22 Q What -- what is that?</p> | <p>369</p> <p>1 A That's correct.</p> <p>2 Q Does the value assessment team of the sales</p> <p>3 force do this in every instance for a potential</p> <p>4 customer?</p> <p>5 A No.</p> <p>6 Q What are the circumstances under which they</p> <p>7 would do this?</p> <p>8 A Yeah, I don't know all the circumstances,</p> <p>9 but I know it's requested as part of the sales</p> <p>10 process.</p> <p>11 Q So, for example, a customer says, you know,</p> <p>12 I'd like to get an idea of how much cost savings I'm</p> <p>13 going to have if I go and I pay hundreds of</p> <p>14 thousands of dollars for this suite of enterprise</p> <p>15 resource planning business solutions. The sales</p> <p>16 team and this value assessment team within that</p> <p>17 sales team will put together a -- a document for the</p> <p>18 customer to consider; is that right?</p> <p>19 A Yes.</p> <p>20 Q Do you know how often that occurs with</p> <p>21 respect to the customers?</p> <p>22 A I don't know.</p> |
| <p>368</p> <p>1 A There's a value assessment team.</p> <p>2 Q Okay. Who -- what group does the value</p> <p>3 assessment team reside in?</p> <p>4 A The sales, sales team.</p> <p>5 Q Okay. And is that a report that is</p> <p>6 generated, a value assessment report?</p> <p>7 A I'm not familiar with exact deliverable.</p> <p>8 Q Okay. But the value assessment team within</p> <p>9 the sales force, they conduct an analysis as to cost</p> <p>10 savings and expenditure reductions by using</p> <p>11 particular applications?</p> <p>12 A They create, as part of the sales process,</p> <p>13 an estimate of potential value of the applications.</p> <p>14 Q Do they do that on a customer-by-customer</p> <p>15 basis?</p> <p>16 A Yes.</p> <p>17 Q So this isn't a document that says</p> <p>18 generally if you use our Supply Chain Management</p> <p>19 applications in the purchasing process, you will</p> <p>20 save on average, you know, X percent of dollars.</p> <p>21 This is more of a specific targeted</p> <p>22 customer-by-customer analysis?</p> | <p>370</p> <p>1 Q And did I understand you to say you didn't</p> <p>2 know specifically what that document would be</p> <p>3 called?</p> <p>4 A No, I don't know.</p> <p>5 Q So other than this -- a document that could</p> <p>6 be generated at the customer's request with respect</p> <p>7 to the cost benefits or expenditure reductions that</p> <p>8 might be appreciated by purchasing a Lawson Software</p> <p>9 application and the real world studies that are</p> <p>10 sometimes collected to reflect actual savings by</p> <p>11 customers who have purchased Lawson business</p> <p>12 application solutions, are there any other</p> <p>13 documentation within Lawson that would be helpful to</p> <p>14 understand the price reductions and expenditures and</p> <p>15 economic benefits appreciated by customers using</p> <p>16 Lawson business applications?</p> <p>17 A Yes.</p> <p>18 Q What would that be?</p> <p>19 A The PowerPoint webinar presentations that</p> <p>20 we've done with customers, where they share their</p> <p>21 experience and where we, you know, mention things</p> <p>22 like the Aberdeen report as potential estimates</p> |

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| <p>371</p> <p>1 of -- of possible savings.</p> <p>2 Q Is there -- strike that.</p> <p>3 So there's a sales presentation to</p> <p>4 customers that talk about the fact that an</p> <p>5 electronic business application, such as Supply</p> <p>6 Chain Management, will result in cost savings,</p> <p>7 expenditure reductions, and economic benefits if you</p> <p>8 use the Lawson Software, correct?</p> <p>9 A We mention cost savings and expenditure</p> <p>10 reduction.</p> <p>11 Q I think we might have looked at one</p> <p>12 yesterday in which you had quoted an Aberdeen report</p> <p>13 that said something to the effect that if you don't</p> <p>14 have electronic procurement now, you know, you're</p> <p>15 really missing out and everyone needs to have it,</p> <p>16 something of that nature. Do you recall that?</p> <p>17 A Yes.</p> <p>18 Q Okay. The webinar you're talking about,</p> <p>19 it's not specific to cost reductions and -- and</p> <p>20 expenditure savings and that kind of thing. It's --</p> <p>21 it's part of the overall sales pitch for the</p> <p>22 particular application?</p> | <p>373</p> <p>1 now talked about about these cost savings and</p> <p>2 expenditure reductions and benefits. Any -- any</p> <p>3 other documents you can think of that would be</p> <p>4 relevant to those issues that the company generates?</p> <p>5 A An ROI calculator.</p> <p>6 Q And that's a return on investment is what</p> <p>7 ROI stands for?</p> <p>8 A Return on investment.</p> <p>9 Q Okay. And what is this ROI calculator that</p> <p>10 the company has?</p> <p>11 A It's an ROI calculator for three specific</p> <p>12 applications.</p> <p>13 Q Okay. Are any of those applications Supply</p> <p>14 Chain Management?</p> <p>15 A Yes.</p> <p>16 Q Okay. Are any of those applications</p> <p>17 specific to the Procurement applications?</p> <p>18 A No.</p> <p>19 Q Just Supply Chain Management overall; is</p> <p>20 that right?</p> <p>21 A No.</p> <p>22 Q What -- what is it specific to in Supply</p> |
| <p>372</p> <p>1 A Yes.</p> <p>2 Q Okay. Do you know whether the company has</p> <p>3 any sort of generalized statement as to the</p> <p>4 percentage of cost savings or expenditure reductions</p> <p>5 that will be enjoyed by using any particular</p> <p>6 application?</p> <p>7 A Well, yes.</p> <p>8 Q What would that be?</p> <p>9 A I'm thinking of some of our mobile Supply</p> <p>10 Chain Management presentations, where we say people</p> <p>11 have saved up to 50 percent of their time in</p> <p>12 counting -- counting items, and so we do talk about</p> <p>13 a little, you know, numbers of really what other</p> <p>14 customers have experienced.</p> <p>15 Q Okay. Is there -- with respect to just the</p> <p>16 Procurement applications, is there any generalized</p> <p>17 number the company puts out there to say, you know,</p> <p>18 if you use our Procurement applications, you'll save</p> <p>19 up to 50 percent in costs on the procurement</p> <p>20 process?</p> <p>21 A Not that I'm aware of.</p> <p>22 Q Okay. So there are three examples we've</p> | <p>374</p> <p>1 Chain Management?</p> <p>2 A Mobile Supply Chain Management, strategic</p> <p>3 sourcing, contract management, and I actually forgot</p> <p>4 point of use, so the four.</p> <p>5 Q Tell me what strategic sourcing is again.</p> <p>6 A Strategic sourcing is an electronic RFP</p> <p>7 process.</p> <p>8 Q Focusing then just on Procurement</p> <p>9 applications that we've been talking within the</p> <p>10 Supply Chain Management Suite, other than the three</p> <p>11 examples you've given me -- you've given me a</p> <p>12 fourth, but it wasn't relevant to Supply Chain</p> <p>13 Management Procurement applications -- the three</p> <p>14 that were relevant to Procurement applications, is</p> <p>15 there -- is there any others you can think of?</p> <p>16 A Not that I can think of.</p> <p>17 Q Okay. What's -- let's talk about Topic 2</p> <p>18 for a minute if we can. This has to do with past</p> <p>19 and current costs, revenues, profits and losses from</p> <p>20 its operations involving these electronic</p> <p>21 Procurement applications we've been discussing, all</p> <p>22 right. And there are -- it includes the services</p> |

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| <p>375</p> <p>1 we've been talking about such as implementation and</p> <p>2 training and support and then additional -- it</p> <p>3 mentions maintenance, which we know is separate from</p> <p>4 service now.</p> <p>5 We've discussed that a lot, but I'd like to</p> <p>6 come back and just sort of identify what types of</p> <p>7 documents would exist within the company that would</p> <p>8 be specific as to -- and let's narrow it down --</p> <p>9 into Procurement applications as part of the Supply</p> <p>10 Chain Management Suite. Let's focus on just Supply</p> <p>11 Chain Management and where I could get and obtain</p> <p>12 data involving costs for the products, revenues for</p> <p>13 the products, profits associated with the products,</p> <p>14 and where the breakdown would be for the services</p> <p>15 and the maintenance.</p> <p>16 Okay, can we do that?</p> <p>17 A Okay.</p> <p>18 Q Let's start first with Supply Chain</p> <p>19 Management licensing revenues. There are a number</p> <p>20 of reports I have seen that could include such data.</p> <p>21 We looked at some yesterday. But is there a report</p> <p>22 that's generated on any kind of regular periodic</p> | <p>377</p> <p>1 profit margins for licensing, maintenance, and</p> <p>2 servicing. Are you aware of that?</p> <p>3 A Yes.</p> <p>4 Q Do you know whether or not those profits</p> <p>5 margins are consistent across the various suite of</p> <p>6 software product offerings?</p> <p>7 A I don't know for certain.</p> <p>8 Q Okay. So just as you sit here today as the</p> <p>9 corporate designee testifying on this topic, you're</p> <p>10 not aware of any specific report of profit margins</p> <p>11 associated with the procurement applications that</p> <p>12 are part of the Supply Chain Management Suite?</p> <p>13 A I'm not aware of it.</p> <p>14 Q And you don't think that that S3</p> <p>15 applications portfolio breaks down those profit</p> <p>16 margins?</p> <p>17 A I don't believe so.</p> <p>18 Q Okay. Does that S3 applications portfolio</p> <p>19 break down the revenues associated for the serv- --</p> <p>20 excuse me -- the maintenance we've been talking</p> <p>21 about?</p> <p>22 A Yes.</p> |
| <p>376</p> <p>1 basis that focuses right in on Supply Chain</p> <p>2 Management revenues by quarter?</p> <p>3 A Yes.</p> <p>4 Q And what would that document be?</p> <p>5 A It's an S3 applications portfolio report.</p> <p>6 Q And is that a quarterly report?</p> <p>7 A I'm not a hundred percent certain of the</p> <p>8 frequency.</p> <p>9 Q Okay. Just -- I think we have a sample of</p> <p>10 one. We'll take a look at it in a minute. That</p> <p>11 would have quarterly -- quarterly revenues. Do you</p> <p>12 know if it would have any information with respect</p> <p>13 to profits enjoyed by those revenues by quarter?</p> <p>14 A No, not that I'm aware of.</p> <p>15 Q Okay. What document would have any kind of</p> <p>16 identification of the margins for profits associated</p> <p>17 with the Supply Chain Management Suite of</p> <p>18 Procurement applications?</p> <p>19 A I'm not aware of a document that has that.</p> <p>20 Q Okay. I've seen in the 10K annual report</p> <p>21 that cutting across all software applications</p> <p>22 offered by the company, there are identifications of</p> | <p>378</p> <p>1 Q Okay. And just so I'm certain, just --</p> <p>2 again, all my questions I want to focus just on</p> <p>3 Supply Chain Management, okay?</p> <p>4 A Okay.</p> <p>5 Q I thought I understood from yesterday that</p> <p>6 there were basically two plans, bronze and silver,</p> <p>7 and they were typically a percentage of the overall</p> <p>8 license fee for the -- actually, do I have that --</p> <p>9 they were typically -- let me strike that and start</p> <p>10 over.</p> <p>11 Did I understand correctly from your</p> <p>12 testimony yesterday that there were two maintenance</p> <p>13 plans: bronze and silver?</p> <p>14 A Yes.</p> <p>15 Q And did I understand correctly from your</p> <p>16 testimony that the way those maintenance plans</p> <p>17 were -- were priced was as a percentage of the</p> <p>18 overall license fee for the particular software</p> <p>19 application that was being purchased?</p> <p>20 A Yes.</p> <p>21 Q And I also understood you to say that on</p> <p>22 occasion discounts could be applied to that</p> |

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| <p>379</p> <p>1 percentage by the sales account executive, correct?</p> <p>2 A Yes, with approval.</p> <p>3 Q Okay. But whatever the S3 application</p> <p>4 portfolio identifies as revenues associated with</p> <p>5 maintenance, that will be the actual numbers that</p> <p>6 were realized whether a discount was applied or not,</p> <p>7 correct?</p> <p>8 A Correct.</p> <p>9 Q Okay. The S3 applications portfolio I have</p> <p>10 is a quarterly report. Do you know if there's ever</p> <p>11 a fiscal year-end report as to licensing revenues</p> <p>12 enjoyed by the S3 applications' maintenance and</p> <p>13 servicing?</p> <p>14 A Yes, for license and maintenance.</p> <p>15 Q What would that report be called?</p> <p>16 A I know there was an FY 09 S3 applications</p> <p>17 portfolio, so an FY 09 version.</p> <p>18 Q Is the -- is the fourth quarterly report,</p> <p>19 the S3 application portfolio, does that roll up all</p> <p>20 the previous three quarterly reports? Do you know?</p> <p>21 A I believe so.</p> <p>22 Q You said it would be for license and</p> | <p>381</p> <p>1 (Lohkamp Deposition Exhibit 25 was</p> <p>2 marked for identification and was attached to the</p> <p>3 deposition transcript.)</p> <p>4 BY MR. ROBERTSON:</p> <p>5 Q Let me show you what's been marked as</p> <p>6 Lohkamp Exhibit 25. It's out of order actually</p> <p>7 because I think that we had previously marked the</p> <p>8 annual report as Exhibit 24, but we'll get to that</p> <p>9 in a minute. Why don't you take a minute to look at</p> <p>10 that, and while you do it, let me identify it for</p> <p>11 the record.</p> <p>12 It's entitled "Lawson S3 Applications</p> <p>13 Portfolio Product Report Cards, FY09 Q1 Year End and</p> <p>14 Forward Pipeline." This one is dated October 27,</p> <p>15 2008, and it bears the Bates label of</p> <p>16 LE 00231500-20?</p> <p>17 MR. ROBERTSON: And, Rachel, while we're --</p> <p>18 we're talking about this -- we'll go back and we'll</p> <p>19 look, but from our observation, we don't appear to</p> <p>20 have a complete set of these. They're kind of</p> <p>21 spotty as to how they are coming in.</p> <p>22 MR. SPENDLOVE: At least we don't have a</p> |
| <p>380</p> <p>1 maintenance but not service. Did I understand that</p> <p>2 correctly?</p> <p>3 A That's correct.</p> <p>4 Q And why wouldn't it be for service? It's</p> <p>5 just not listed as part of the S3 application</p> <p>6 revenue?</p> <p>7 A That's correct. It's not part -- listed as</p> <p>8 part of that report.</p> <p>9 Q Okay. Is there another report that has to</p> <p>10 do with service revenues?</p> <p>11 A I don't -- I'm not aware of one.</p> <p>12 Q The company doesn't have any kind of</p> <p>13 quarterly report or fiscal year-end report that says</p> <p>14 we realized X amount of dollars for servicing for</p> <p>15 our Supply Chain Management product?</p> <p>16 A I'm not aware of a report that breaks it</p> <p>17 down at the Supply Chain Management level.</p> <p>18 Q Is there a report that breaks it down at</p> <p>19 any level below simply the S3 product line?</p> <p>20 A I'm not aware of a report that does that.</p> <p>21 Q Okay. Why don't we take a look at this S3</p> <p>22 applications portfolio, a sample of one.</p> | <p>382</p> <p>1 complete set produced as a set. Whether or not we</p> <p>2 have all of them disbursed in the, you know, the 2</p> <p>3 million pages -- we might -- but I don't believe we</p> <p>4 have them all in a set.</p> <p>5 BY MR. ROBERTSON:</p> <p>6 Q Let me ask you a preliminary question,</p> <p>7 Mr. Lohkamp. Is this the document that you were</p> <p>8 referring to before?</p> <p>9 A Yes.</p> <p>10 Q So you've seen documents of this type in</p> <p>11 the ordinary course of your business duties and</p> <p>12 responsibilities?</p> <p>13 A Yes.</p> <p>14 Q And this one, since it's dated October 27,</p> <p>15 2008, would have been after the end of the first</p> <p>16 quarter of fiscal year 2009, which would have gone</p> <p>17 from June 1, 2009 through September 30, two</p> <p>18 thousand -- excuse me -- June 1, 2008 to September</p> <p>19 30, 2008?</p> <p>20 A Yes.</p> <p>21 Q Is it typical that these application</p> <p>22 portfolio product report cards contain both a --</p> |

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| <p>383</p> <p>1 the -- the actual revenues achieved and a forward</p> <p>2 projection, as suggested by the cover page?</p> <p>3 A Yes.</p> <p>4 Q Okay. Just so we're on the same page here,</p> <p>5 fiscal year 2008 ended May 31, 2008, right?</p> <p>6 A That is correct.</p> <p>7 Q Because we're going to be -- I see in here</p> <p>8 there are comparisons between fiscal year 2008 and</p> <p>9 fiscal year 2009. I just want to be clear. As far</p> <p>10 as this document goes, Exhibit 25, fiscal year 2008</p> <p>11 is -- is ended, notwithstanding that it's October</p> <p>12 27, 2008 on the cover page of this document, right?</p> <p>13 A Yes.</p> <p>14 Q Okay. Am I correct that one of the S3 --</p> <p>15 strike that.</p> <p>16 Supply Chain Management is considered one</p> <p>17 of the S3 core applications; is that correct?</p> <p>18 MS. HUGHEY: Objection, vague.</p> <p>19 THE WITNESS: It is considered a suite</p> <p>20 within S3.</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q You're not familiar with the term "S3 core</p> | <p>385</p> <p>1 A You're asking within this document?</p> <p>2 Q Yes, sir.</p> <p>3 A It would be on page 20.</p> <p>4 Q That's 20 of the document, not the Bates</p> <p>5 label, right?</p> <p>6 A That's correct, '19 -- '519.</p> <p>7 Q Okay. And there are several charts on page</p> <p>8 20 of this document. What -- what should I focus</p> <p>9 on?</p> <p>10 A To see the numbers, I would focus on the</p> <p>11 SCM products table.</p> <p>12 Q Oh, I see. That's in the top quarter of</p> <p>13 the document here?</p> <p>14 A That's -- that's correct.</p> <p>15 Q And it's got contracting, license revenue,</p> <p>16 and maintenance revenue listed in a chart going</p> <p>17 across?</p> <p>18 A Yes, in a table.</p> <p>19 Q It's very difficult to read, isn't it?</p> <p>20 A Yes.</p> <p>21 Q What's the first column after the</p> <p>22 identification of the line items? Is that Q1 '08?</p> |
| <p>384</p> <p>1 application"? Let me direct you --</p> <p>2 A I'm not familiar with that term.</p> <p>3 Q Okay. Well, let me just direct you to the</p> <p>4 page that ends '508 in the document.</p> <p>5 A Okay.</p> <p>6 Q And there's pie charts on that page, and</p> <p>7 it's addressed to contracting activity that appears</p> <p>8 to be for fiscal year 2007, fiscal year 2008, and</p> <p>9 then I would assume, since it's only a quarter, to</p> <p>10 fiscal year 2009 it's just talking about the first</p> <p>11 quarter.</p> <p>12 But you see there it has M3 core</p> <p>13 applications and S3 core applications?</p> <p>14 A Yes.</p> <p>15 Q Do you know whether or not the contracting</p> <p>16 revenue associated with Supply Chain Management</p> <p>17 would fall within that piece of the pie for S3 core</p> <p>18 applications?</p> <p>19 A Yes, it would.</p> <p>20 Q Could you tell me where on this chart I</p> <p>21 could find the revenues associated first with</p> <p>22 licensing for Supply Chain Management applications?</p> | <p>386</p> <p>1 A I believe so.</p> <p>2 Q And so this is quarterly for '08 and then</p> <p>3 the first quarter of '09; is that right?</p> <p>4 A Yeah, that's what it appears to be.</p> <p>5 Q Okay. And then there's a fiscal year 2007</p> <p>6 summary and a fiscal year 2008 summary in the</p> <p>7 columns towards the right of that table?</p> <p>8 A That's what it looks like.</p> <p>9 Q Okay. And this is for the total</p> <p>10 contracting license revenue, maintenance revenue</p> <p>11 associated with Supply Chain Management application</p> <p>12 revenues, right?</p> <p>13 A Yes.</p> <p>14 Q If I needed it broken down at greater</p> <p>15 granularity, that is to what the pricing was for the</p> <p>16 particular applications within the Supply Chain</p> <p>17 Management Suite, I understood you to tell me</p> <p>18 yesterday that that data is available with respect</p> <p>19 to the pricing for an individual customer, correct?</p> <p>20 A Yes.</p> <p>21 Q It's not going to be in any -- strike that.</p> <p>22 There's no other greater breakdown in these</p> |

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| <p>387</p> <p>1 quarterly reports as to the particular revenues that</p> <p>2 are realized with respect to an application within</p> <p>3 the Supply Chain Management, correct?</p> <p>4 A There's no more detail than this in the</p> <p>5 report.</p> <p>6 Q Okay. And I may have asked this, but do</p> <p>7 you think that the fourth quarter report would</p> <p>8 provide a summary of the fiscal year-end revenues</p> <p>9 for contracting, licensing, and maintenance for the</p> <p>10 SCM Suite?</p> <p>11 A I believe so.</p> <p>12 Q Okay. Let's talk about the next topic:</p> <p>13 licensing strategies, policies, forms, provisions,</p> <p>14 price structures relating to these Procurement</p> <p>15 applications. That's how I'll summarize it, okay?</p> <p>16 A Okay.</p> <p>17 Q The pricing structures we've talked about</p> <p>18 yesterday and I don't want to go over again. There</p> <p>19 are documents that exist that identify what the base</p> <p>20 price will be for a particular application, correct?</p> <p>21 A Yes.</p> <p>22 Q And counsel gave us a range of Bates</p> | <p>389</p> <p>1 Q Does that -- I'm sorry.</p> <p>2 Does that include pricing?</p> <p>3 A Yes.</p> <p>4 Q In every instance that Lawson enters into</p> <p>5 an agreement to provide a software application and</p> <p>6 associated maintenance, does a license agreement</p> <p>7 exist?</p> <p>8 A I can't say for certain in every</p> <p>9 circumstance.</p> <p>10 Q Let me ask it this way. Is it standard</p> <p>11 procedure for the company to enter into a license</p> <p>12 agreement that identifies the software applications</p> <p>13 being licensed, the maintenance being provided, the</p> <p>14 terms and conditions, and the pricing?</p> <p>15 A Yes.</p> <p>16 Q Are there -- I mentioned a Statement of</p> <p>17 Work, and you said that may occur. Do you know the</p> <p>18 circumstances under which the company would create a</p> <p>19 Statement of Work?</p> <p>20 A Yes.</p> <p>21 Q What are those?</p> <p>22 A If the customer wants Lawson Professional</p> |
| <p>388</p> <p>1 numbers. We'll go take a look at them probably</p> <p>2 during the lunch break and see if I can get an</p> <p>3 example of one or two.</p> <p>4 Are the -- what constitutes the license</p> <p>5 agreement with the -- the customer? I want to talk</p> <p>6 about the documentation. I've seen responses to</p> <p>7 RFPs which the company represents what the product</p> <p>8 is capable of doing. Is that a fair</p> <p>9 characterization of what a response to an RFP is?</p> <p>10 A Yes.</p> <p>11 Q Okay. Does the company generate SOWs, or</p> <p>12 statements of work, once an agreement to purchase</p> <p>13 the product occurs?</p> <p>14 A They could.</p> <p>15 Q Okay. Then help me out. What form of</p> <p>16 documentation exists to memorialize the contract</p> <p>17 between the customer and Lawson to provide the</p> <p>18 software application and the maintenance associated</p> <p>19 with it?</p> <p>20 A There is a license contract that lists --</p> <p>21 lists the products that are licensed and the terms</p> <p>22 and conditions around that license.</p> | <p>390</p> <p>1 Services to provide some type of consulting help</p> <p>2 with regards to the applications.</p> <p>3 Q Okay. So that would specify exactly the</p> <p>4 services that are going to be performed and the --</p> <p>5 and the cost of those services?</p> <p>6 A I don't know if it'd say exact -- all the</p> <p>7 exact things, but it would have the, you know,</p> <p>8 estimated hours and the type of consultants expected</p> <p>9 for that.</p> <p>10 Q So is it only when it's associated with</p> <p>11 Lawson Professional Services that a Statement of</p> <p>12 Work is created?</p> <p>13 A No.</p> <p>14 Q What are the other circumstances where a</p> <p>15 Statement of Work might be created?</p> <p>16 A The other situation I can -- can think of</p> <p>17 is in the case of the Procurement Punchout Partner</p> <p>18 Program, where we had a Statement of Work to cover</p> <p>19 the initial testing, and that was for development.</p> <p>20 Q We saw one of those examples yesterday,</p> <p>21 right?</p> <p>22 A Yes.</p> |

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| <p>391</p> <p>1 Q Okay. Any other instances besides those</p> <p>2 two that a Statement of Work will be created?</p> <p>3 A Not that comes to mind.</p> <p>4 Q Okay.</p> <p>5 MR. ROBERTSON: Rachel, I think we were</p> <p>6 seeking the customer contracts, and I've been out of</p> <p>7 the loop on this, but Will was involved, and I</p> <p>8 thought he was identifying something like two or 300</p> <p>9 customer contracts for Supply Chain Management. So</p> <p>10 I just -- I -- I think he said they were coming, but</p> <p>11 I don't have the benefit of going through one right</p> <p>12 now. Maybe at the break if you could just check</p> <p>13 with him, and I'll check with Ms. Albert because</p> <p>14 they've been having a dialogue concerning that.</p> <p>15 BY MR. ROBERTSON:</p> <p>16 Q But just it'd be your understanding that</p> <p>17 with respect to a license entered into agreement in</p> <p>18 virtually every instance, it is the company's policy</p> <p>19 to have a written agreement identifying the</p> <p>20 particular software application being licensed, the</p> <p>21 maintenance associated with that application, terms</p> <p>22 and conditions including the pricing for the</p> | <p>393</p> <p>1 document?</p> <p>2 A Yes.</p> <p>3 Q What is it, sir?</p> <p>4 A It is our pricing configurator.</p> <p>5 Q Okay. And if you turn to -- actually,</p> <p>6 strike that.</p> <p>7 What do you mean by pricing configurator?</p> <p>8 A It's a spreadsheet used to put in the</p> <p>9 specifics about a customer opportunity to calculate</p> <p>10 the price.</p> <p>11 Q Is it specific to customer, or is this a</p> <p>12 document with the generic prices for the particular</p> <p>13 application?</p> <p>14 A This document is a generic document, which</p> <p>15 would then be used for a specific customer proposal.</p> <p>16 Q I see. So on the first page of Exhibit 26,</p> <p>17 there are various fields that can be entered in</p> <p>18 order to come up with the pricing for a particular</p> <p>19 customer offering; is that right?</p> <p>20 A Yes.</p> <p>21 Q So I'd have to identify what country the</p> <p>22 customer was located and that the currency was going</p> |
| <p>392</p> <p>1 particular applications and maintenance?</p> <p>2 A Yes.</p> <p>3 Q Why don't we take a short break if that's</p> <p>4 all right with you.</p> <p>5 A Okay.</p> <p>6 THE VIDEOGRAPHER: We're going off the</p> <p>7 record. The time is 12:20 p.m.</p> <p>8 (Recess.)</p> <p>9 THE VIDEOGRAPHER: We are back on the</p> <p>10 record. The time is 12:38 p.m.</p> <p>11 (Lohkamp Deposition Exhibit 26 was</p> <p>12 marked for identification and was attached to the</p> <p>13 deposition transcript.)</p> <p>14 BY MR. ROBERTSON:</p> <p>15 Q Mr. Lohkamp, I've handed you what I've</p> <p>16 marked as Lohkamp Exhibit 26 and ask you to take a</p> <p>17 minute to look at that, and while you do, it says,</p> <p>18 "S3 and SHCM Price Configuration Setup," and it's a</p> <p>19 multipage document which has the Bates label</p> <p>20 L 0234993.1 through .38, which suggests to me it was</p> <p>21 printed in a native Excel file format.</p> <p>22 And my question is, do you recognize the</p> | <p>394</p> <p>1 to be in U.S. dollars, for example, and that the</p> <p>2 maintenance level was going to be bronze or silver,</p> <p>3 and all that would be entered in -- into the</p> <p>4 configuration setup; is that right?</p> <p>5 A Yes.</p> <p>6 Q And then I would enter into -- the address</p> <p>7 information, the account name, and the contact and</p> <p>8 the business address, et cetera?</p> <p>9 A Yes.</p> <p>10 Q Okay. All right. So turning to the next</p> <p>11 page, there are -- there's a heading called S3</p> <p>12 Supply Chain Management. Do you see that?</p> <p>13 A Yes.</p> <p>14 Q And are those particular applications</p> <p>15 within the Supply Chain Management Suite?</p> <p>16 A Yes.</p> <p>17 Q Okay. So, for example, we've been talking</p> <p>18 about Procurement, right?</p> <p>19 A Yes.</p> <p>20 Q And Requisitions Self-Service and</p> <p>21 Procurement Punchout, correct?</p> <p>22 A Yes.</p> |

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| <p>395</p> <p>1 Q All right. And there are the corresponding</p> <p>2 base prices in United States dollars in the next</p> <p>3 column of this table?</p> <p>4 A Yes.</p> <p>5 Q Okay. So for procurement, for example,</p> <p>6 it's \$55,000 for the base price, right?</p> <p>7 A Not -- not exactly.</p> <p>8 Q All right. Tell me why am I incorrect.</p> <p>9 A The base price is 90,000. It includes 10</p> <p>10 users, and so when you select yes on configure, it</p> <p>11 will calculate out the -- the 90. It displays this</p> <p>12 55,000 to use that as a calculation to get to it.</p> <p>13 Q I guess I'm confused. So where -- where do</p> <p>14 I see the 90,000?</p> <p>15 A You'll see the 90,000 once you've selected</p> <p>16 yes on the configure.</p> <p>17 Q Oh, I see. In that column it says,</p> <p>18 "Configure Y or N." All the entries there are N; is</p> <p>19 that right?</p> <p>20 A Yes.</p> <p>21 Q Well, is there anywhere in this document</p> <p>22 then that -- so would I have to go into this native</p> | <p>397</p> <p>1 A Named users.</p> <p>2 Q And why is that a pricing metric, BP plus</p> <p>3 named user -- named users -- named users? Hard to</p> <p>4 say.</p> <p>5 A That refers to how this -- this product is</p> <p>6 priced, that there's a minimum price and then</p> <p>7 additional users above what's included in the</p> <p>8 minimum.</p> <p>9 Q Okay. So how do I get to 90,000 there? It</p> <p>10 would be 3500 times ten that's indicated there,</p> <p>11 which would be 35,000 plus the base price 55,000</p> <p>12 equals 90?</p> <p>13 A Yes.</p> <p>14 Q Okay. Is the minimum number of users for</p> <p>15 this product we're looking at, this application for</p> <p>16 Procurement, ten?</p> <p>17 A Yes.</p> <p>18 Q Okay. Just by way of example then, the</p> <p>19 Requisitions Self-Service has a base price of 20,000</p> <p>20 and a quantity price of 200, and it's pricing</p> <p>21 metrics are base price plus minimum of named users.</p> <p>22 In this instance for Requisitions Self-Service it's</p> |
| <p>396</p> <p>1 file and switch all these to yes in order to see</p> <p>2 what the actual pricing is for the base price for a</p> <p>3 particular application?</p> <p>4 A For it -- for it to display, yes, but you</p> <p>5 could basically take the quantity number that is in</p> <p>6 the quantity column, multiply it by the quantity</p> <p>7 price in USD and add it to the base price, and that</p> <p>8 would be the minimum configuration or base price for</p> <p>9 that product.</p> <p>10 Q There's -- there's a -- there's a base</p> <p>11 price column, and then there's a quantity price USD</p> <p>12 and that -- for procurement -- let's take that by</p> <p>13 example -- that's 3500?</p> <p>14 A The quantity price, yes, is 3500.</p> <p>15 Q Okay. And then the next column says,</p> <p>16 "Pricing Metrics," and it says, "BP+MUN," correct?</p> <p>17 A Correct.</p> <p>18 Q BP meaning base price, right?</p> <p>19 A Yes.</p> <p>20 Q And what's MUN?</p> <p>21 A It stands for named users.</p> <p>22 Q I'm sorry. It stands for what?</p> | <p>398</p> <p>1 100. So I would take 20,000 plus 100 times 200 or</p> <p>2 20,000 and have a price for the Requisitions</p> <p>3 Self-Service of 40,000; is that right?</p> <p>4 A Yes.</p> <p>5 Q Okay. And that's the equation I should</p> <p>6 apply to determine the pricing for all of these</p> <p>7 Supply Chain Management applications; is that right?</p> <p>8 A To get to that minimum price, yes.</p> <p>9 Q Okay. But for EDI Professional for Supply</p> <p>10 Chain Management, for example, there is no base</p> <p>11 price. There is a quantity price of 10,000, and</p> <p>12 then there's this acronym we haven't seen before</p> <p>13 MCPU. What does that stand for?</p> <p>14 A CPU, number of CPUs.</p> <p>15 Q So the -- is the minimum quantity for the</p> <p>16 EDI Professional for Supply Chain Management four,</p> <p>17 that would be four times 10,000 or \$40,000 for the</p> <p>18 EDI Professional for Supply Chain Management?</p> <p>19 A Yes.</p> <p>20 Q By CPU that's a computer processing unit,</p> <p>21 so it's per desktop or laptop that's utilizing the</p> <p>22 EDI?</p> |

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| <p>399</p> <p>1 A It's per CPU of the server that it's on.</p> <p>2 Q Okay. Do you see on the next page there's</p> <p>3 a heading entitled "S3 Services Management"?</p> <p>4 A Yes.</p> <p>5 Q And then there's a Services Automation</p> <p>6 line?</p> <p>7 A Yeah.</p> <p>8 Q What's services automation?</p> <p>9 A Services automation is a tool for</p> <p>10 professional services organizations to track</p> <p>11 projects and time and bill that out.</p> <p>12 Q Doesn't have anything to do with electronic</p> <p>13 procurement?</p> <p>14 A No.</p> <p>15 Q Next page there's a heading for the System</p> <p>16 Foundation Suite. Do you see that?</p> <p>17 A Yes.</p> <p>18 Q And then there's an S3 System Foundation</p> <p>19 underneath that with a base price of 71,500, and</p> <p>20 then there's a price PM listed as -- as well.</p> <p>21 What's the PM stand for, that column?</p> <p>22 A Yeah, I'm -- I'm not certain what the PM --</p> | <p>401</p> <p>1 clients with existing concurrent users only. What</p> <p>2 is this about?</p> <p>3 A This is for customers that have purchased</p> <p>4 in the past and purchased under a concurrent user</p> <p>5 license model and back when we made use of --</p> <p>6 licensed products in a different way, if they needed</p> <p>7 to add on additional products, we could use this --</p> <p>8 this form to calculate their pricing.</p> <p>9 Q Okay. This pricing appears to be a</p> <p>10 discount off the other pricing that we saw. Is that</p> <p>11 because they're existing customers?</p> <p>12 A Yeah, I don't -- it's not -- it's not a</p> <p>13 dis- -- discount.</p> <p>14 Q I see. So, for example, now for</p> <p>15 procurement the requisition module and the purchase</p> <p>16 order module and the inventory control module all</p> <p>17 fall within the Procurement application that's being</p> <p>18 offered now; is that right?</p> <p>19 A Yes.</p> <p>20 Q And these were sort of the historical</p> <p>21 modules that were priced differently, correct?</p> <p>22 A Correct.</p> |
| <p>400</p> <p>1 PM stands for.</p> <p>2 Q This is that technology foundation software</p> <p>3 that's necessary to run the S3 suite on?</p> <p>4 A Yes.</p> <p>5 Q In every instance that someone is going to</p> <p>6 purchase an S3 product suite application or product</p> <p>7 suite line such as financial management or Supply</p> <p>8 Chain Management is the S3 System Foundation</p> <p>9 necessary?</p> <p>10 A Yes.</p> <p>11 Q And this would be -- the pricing metrics</p> <p>12 for it would be the base price plus a CPUC. What's</p> <p>13 the CPUC?</p> <p>14 A I believe the CPUC stands for CPU core.</p> <p>15 Q Okay. And so there's eight required for</p> <p>16 that. So we were to take eight times 5,000 or</p> <p>17 40,000 for the base?</p> <p>18 A I'm not -- I'm not certain on this -- this</p> <p>19 particular one.</p> <p>20 Q All right, that's fine. If you'd turn to</p> <p>21 the page that's page 10 of the document. It's</p> <p>22 the .10. There's a Lawson S3 Applications Table for</p> | <p>402</p> <p>1 Q I see the Requisitions Self-Service which</p> <p>2 is a newer product is still priced at the same as</p> <p>3 the Requisitions Self-Service for -- that we were</p> <p>4 discussing on page 2, correct?</p> <p>5 A Correct.</p> <p>6 MR. ROBERTSON: Okay. Why don't we take a</p> <p>7 lunch break.</p> <p>8 THE VIDEOGRAPHER: We are going off the</p> <p>9 record. The time is 12:50 p.m.</p> <p>10 (Whereupon, at 12:51 p.m., the</p> <p>11 above-entitled matter was recessed until 1:32 p.m.)</p> <p>12 THE VIDEOGRAPHER: We are back on the</p> <p>13 record, and the time is 1:32 p.m.</p> <p>14 (Lohkamp Deposition Exhibit 24 was</p> <p>15 marked for identification and was attached to the</p> <p>16 deposition transcript.)</p> <p>17 CONTINUED EXAMINATION BY COUNSEL FOR PLAINTIFF</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q We're done with that last exhibit,</p> <p>20 Mr. Lohkamp.</p> <p>21 A Okay.</p> <p>22 Q Why don't we just do this for the record.</p> |

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| <p>403</p> <p>1 I don't know that I'm going to have any questions</p> <p>2 about it, but let me show you what's been marked as</p> <p>3 Exhibit 24, which is a form 10-K report filed with</p> <p>4 the United States Securities and Exchange</p> <p>5 Commission, and it should indicate on here for which</p> <p>6 calendar year it is, for the fiscal year ending May</p> <p>7 31, 2009.</p> <p>8 You recognize this as the Lawson Annual</p> <p>9 Report?</p> <p>10 A Yes.</p> <p>11 Q And are you aware that SEC regulations</p> <p>12 require that the statements made in here as to fact</p> <p>13 be truthful?</p> <p>14 MS. HUGHEY: Objection, calls for a legal</p> <p>15 conclusion.</p> <p>16 THE WITNESS: I'm not aware of the SEC</p> <p>17 rules.</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q Okay. Are you aware that the company</p> <p>20 executives need to sign this report and that</p> <p>21 indicating that it fully complies with SEC</p> <p>22 requirements and that in all material respects the</p> | <p>405</p> <p>1 report?</p> <p>2 A I believe I have.</p> <p>3 Q Just real briefly, if you take a look at</p> <p>4 the page that ends '242 and starting at the bottom</p> <p>5 three paragraphs -- -graphs up starts, "We generate</p> <p>6 revenue." Are you with me?</p> <p>7 A Oh, yes.</p> <p>8 Q The paragraph states, "We generate revenue</p> <p>9 in three ways: 1) software license fees; 2) customer</p> <p>10 support and maintenance fees; and 3) consulting</p> <p>11 services fees." Do you see that?</p> <p>12 A Yes.</p> <p>13 Q Is that a truthful statement, sir?</p> <p>14 A Yes.</p> <p>15 Q The last sentence of that paragraph, sir,</p> <p>16 states, "We market and sell our software and</p> <p>17 services primarily through a direct sales force</p> <p>18 which is augmented by channel partners and</p> <p>19 resellers." Do you see that?</p> <p>20 A Yes.</p> <p>21 Q What -- what's a channel partner?</p> <p>22 A I'm not sure the exact -- what's exactly</p> |
| <p>404</p> <p>1 finan- -- financial condition results of the company</p> <p>2 operations are fairly presented therein?</p> <p>3 MS. HUGHEY: Same objection.</p> <p>4 BY MR. ROBERTSON:</p> <p>5 Q Why don't you take a look at the last page</p> <p>6 of this exhibit, which bears the Bates label '336,</p> <p>7 par- -- the second full paragraph signed by</p> <p>8 Mr. Schriesheim, executive vice president and chief</p> <p>9 financial officer and a director?</p> <p>10 A Okay.</p> <p>11 Q And it indicates here that the information</p> <p>12 contained in the report fairly presents in all</p> <p>13 material respects the financial condition and</p> <p>14 results of operations of the company, correct?</p> <p>15 MS. HUGHEY: Objection. The document</p> <p>16 speaks for itself. Calls for a legal conclusion.</p> <p>17 THE WITNESS: The document does say that,</p> <p>18 yes.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Okay. From time to time in the operation</p> <p>21 of your duties and responsibilities with the</p> <p>22 company, have you had occasion to read the annual</p> | <p>406</p> <p>1 meant by the channel partner, but channel partner</p> <p>2 would typically be some third party that would help</p> <p>3 sell, sell the product.</p> <p>4 Q What are Lawson resellers? Can you</p> <p>5 identify what that is?</p> <p>6 A Those would be organizations that resold</p> <p>7 Lawson Software.</p> <p>8 Q Can you give me some examples of such</p> <p>9 organizations?</p> <p>10 A No. I'm not a -- I don't know any</p> <p>11 examples.</p> <p>12 Q If you'll turn to the page that ends '245.</p> <p>13 A I'm there.</p> <p>14 Q There's a Lawson S3 Enterprise Management</p> <p>15 System heading. Do you see that?</p> <p>16 A Yes.</p> <p>17 Q And underneath that there's a subheading</p> <p>18 for Lawson Supply Chain Management?</p> <p>19 A Yes.</p> <p>20 Q And to the right of that is identification</p> <p>21 of key products. Are you with me?</p> <p>22 A Yes.</p> |

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| <p>407</p> <p>1 Q Were those products ranked in any</p> <p>2 particular order, such as the most popular to least</p> <p>3 popular, most revenues to least revenues or</p> <p>4 something along those lines, or is that just sort of</p> <p>5 random in your view?</p> <p>6 A Yeah, I'm not aware of how these were</p> <p>7 arranged.</p> <p>8 Q Okay. All right. That's all I have on</p> <p>9 that. Thank you.</p> <p>10 A Okay.</p> <p>11 Q I just want to go back to this document</p> <p>12 that you have open in front of you which is Exhibit</p> <p>13 18 with the listing of the applications for the</p> <p>14 Lawson S3 Supply Chain Management Suite for a</p> <p>15 second.</p> <p>16 A Okay.</p> <p>17 Q Yesterday I asked you about specifically a</p> <p>18 Procurement application and in its most base form</p> <p>19 what that would consist of, and I understood you to</p> <p>20 say that it would be a purchase order module and the</p> <p>21 inventory control module; is that correct?</p> <p>22 A Yes.</p> | <p>409</p> <p>1 A Okay. You would need Lawson Procurement</p> <p>2 for that.</p> <p>3 Q Would I need some sort of Lawson EDI or</p> <p>4 Lawson Procurement Punchout?</p> <p>5 A No.</p> <p>6 Q Okay. How do I access the data of the</p> <p>7 items for sale with just Lawson Procurement?</p> <p>8 A Through loading items in the Item Master.</p> <p>9 Q Which module is the Item Master located in?</p> <p>10 A Inventory control.</p> <p>11 Q Is there a typical configuration for a</p> <p>12 Procurement application that Lawson sells; that is,</p> <p>13 the configuration of applications for procurement it</p> <p>14 sells more often than not?</p> <p>15 MS. HUGHEY: Objection, vague.</p> <p>16 THE WITNESS: It would depend upon the</p> <p>17 particular customers and their -- their needs.</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q But take the universe of procurement</p> <p>20 customers, okay. Everybody who wants to have</p> <p>21 Procurement application, and if you look at that</p> <p>22 universe, when I look at it, is there some</p> |
| <p>408</p> <p>1 Q Okay. Now as the product is currently</p> <p>2 sold, you can't buy those modules separately; is</p> <p>3 that correct?</p> <p>4 A No, if you're an existing customer and</p> <p>5 hadn't -- hadn't purchased those previously, you</p> <p>6 could potentially buy those modules, but new</p> <p>7 customers we could only buy Procurement.</p> <p>8 Q So they would have to buy the Lawson</p> <p>9 Procurement application, correct?</p> <p>10 A Correct.</p> <p>11 Q Okay. Let's talk about present</p> <p>12 circumstances and I'm a new customer and I want to</p> <p>13 buy Procurement application that -- that would</p> <p>14 permit me to requisition, do purchase orders,</p> <p>15 consummate the transaction, and have access to item</p> <p>16 data as to inventories available for sale from</p> <p>17 various vendors. What applications of this Supply</p> <p>18 Chain Management Suite do I need to perform that?</p> <p>19 A Could I actually clarify what you mean by</p> <p>20 inventories available for sale from suppliers?</p> <p>21 Q They're goods that are available that I can</p> <p>22 purchase.</p> | <p>410</p> <p>1 configuration of these applications that occurs more</p> <p>2 often than not in these sales?</p> <p>3 A Most common would be to have procurement.</p> <p>4 Q Just procurement alone?</p> <p>5 A Procurement and then with Requisitions</p> <p>6 Self-Service.</p> <p>7 Q Okay. You may have said this yesterday,</p> <p>8 but Procurement Punchout is about -- sold to about</p> <p>9 10 percent of the customers overall that have a</p> <p>10 Procurement application solution?</p> <p>11 A Yes.</p> <p>12 Q And Lawson EDI or EDI Professional -- let's</p> <p>13 group those together -- what percentage of the</p> <p>14 customers who have a Procurement application</p> <p>15 solution obtain Lawson EDI or EDI Professional?</p> <p>16 A I believe I estimated something, I think it</p> <p>17 was about -- I think about 30 to 40 percent.</p> <p>18 Q Okay. So am I correct then together, if</p> <p>19 you group Procurement Punchout and Lawson EDI or EDI</p> <p>20 Professional, that's somewhere between 40 to 50</p> <p>21 percent of the customers have those applications for</p> <p>22 their procurement solution?</p> |

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| <p>411</p> <p>1 A No.</p> <p>2 Q Is there some -- I thought you said</p> <p>3 yesterday that they were mutually exclusive, that</p> <p>4 there was no overlap between Procurement Punchout</p> <p>5 and Procurement -- and Lawson EDI. Was I mistaken?</p> <p>6 A Oh, then I think I misunderstood your</p> <p>7 question. I thought you meant mutually exclusive in</p> <p>8 terms of licensing -- licensing them. They are</p> <p>9 licensed separately.</p> <p>10 Q Okay. Do some procurement customers have</p> <p>11 both Procurement Punchout and Lawson EDI?</p> <p>12 A Yes.</p> <p>13 Q Okay. That's all I have on that one,</p> <p>14 hopefully.</p> <p>15 (Lohkamp Deposition Exhibit 27 was</p> <p>16 marked for identification and was attached to the</p> <p>17 deposition transcript.)</p> <p>18 BY MR. ROBERTSON:</p> <p>19 Q Let me show you what's been marked as</p> <p>20 Lohkamp Exhibit 27, and for the record, it says, "M3</p> <p>21 Price Configuration Setup," and it has the Bates</p> <p>22 label of L 0234992-1 through -31. Is this the</p> | <p>413</p> <p>1 is BP plus GU. Do you see that?</p> <p>2 A Yes.</p> <p>3 Q Do you know what GU stands for?</p> <p>4 MS. HUGHEY: I'm going to object. This is</p> <p>5 beyond the scope of his 30(b)(6).</p> <p>6 BY MR. ROBERTSON:</p> <p>7 Q If you know.</p> <p>8 A I believe it's generic users.</p> <p>9 Q Okay. Underneath that is BP plus SU. Do</p> <p>10 you know what SU stands for?</p> <p>11 A No, I do not.</p> <p>12 Q Who'd be the person most knowledgeable at</p> <p>13 the company with respect to the M3 price</p> <p>14 configuration setup?</p> <p>15 A Mikael Ageras.</p> <p>16 Q I understood you to tell me yesterday that</p> <p>17 you were the one who originally came up with the</p> <p>18 pricing configurations or the pricing points for the</p> <p>19 Supply Chain Management S3 applications some time</p> <p>20 back in 2006. Is that right?</p> <p>21 A Yes.</p> <p>22 Q Okay. Just briefly going back to that</p> |
| <p>412</p> <p>1 counterpart, if you will, for the pricing document</p> <p>2 we saw for S3 and this one being for M3?</p> <p>3 A I believe so.</p> <p>4 Q Okay. And would I apply the same logic for</p> <p>5 determining the base price plus user metric to</p> <p>6 determine pricing for the various applications in</p> <p>7 this M3 pricing document?</p> <p>8 A I don't know.</p> <p>9 Q Why is it that you don't know?</p> <p>10 A I'm not familiar with -- with this</p> <p>11 document, so I'm not sure how each of these are --</p> <p>12 are calculated.</p> <p>13 Q Okay. Well, why don't you just turn to the</p> <p>14 page that ends page 2, and you'll see there Supply</p> <p>15 Chain Management heading?</p> <p>16 A Yes.</p> <p>17 Q And there's a Procurement application under</p> <p>18 Supply Chain Management?</p> <p>19 A Yes.</p> <p>20 Q And it says base price \$7200?</p> <p>21 A Yes.</p> <p>22 Q And then there's the pricing metrics which</p> | <p>414</p> <p>1 document, which was Exhibit 26, and just focusing on</p> <p>2 the S3 Supply Chain Management -- it's page 2.</p> <p>3 A Okay.</p> <p>4 Q Let's look at procurement for a moment</p> <p>5 there. \$55,000 base price plus a -- a named user</p> <p>6 price that factors into it which arrived at a</p> <p>7 \$90,000 price for that -- to license that software</p> <p>8 application, correct?</p> <p>9 A Yes.</p> <p>10 Q Okay. And just let me compare that to, for</p> <p>11 example, Requisitions Self-Service, which was a</p> <p>12 \$20,000 base price plus a \$200 per named user price</p> <p>13 with a minimum requirement of 100 named users</p> <p>14 resulting in a \$40,000 price point for that,</p> <p>15 correct?</p> <p>16 A Correct.</p> <p>17 Q Okay. What I want to know is what -- what</p> <p>18 logic went into your determination of how to price</p> <p>19 this software. What factors did you consider when</p> <p>20 you arrived at a \$90,000 price for procurement and a</p> <p>21 \$40,000 price for Requisitions Self-Service?</p> <p>22 A Okay. Yeah, I don't recall all the factors</p> |

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| <p>415</p> <p>1 that went into it. What I did look at was the</p> <p>2 potential number of users that we would expect for</p> <p>3 different -- for the Procurement application, for</p> <p>4 example, to come up with a model of a scale of</p> <p>5 pricing that would seem to be reasonable with what</p> <p>6 would the market -- the market would bear.</p> <p>7 Q Did you consider at all the costs</p> <p>8 associated with the development of the software?</p> <p>9 A No.</p> <p>10 Q So just focusing on those two things we</p> <p>11 talked about, there was the Procurement application</p> <p>12 and there's the Requisitions Self-Service</p> <p>13 application, the two I just used -- right? -- as</p> <p>14 examples?</p> <p>15 A Yes.</p> <p>16 Q Would it be fair to say that the</p> <p>17 Procurement application was sort of more fundamental</p> <p>18 than the Requisitions Self-Service application to</p> <p>19 the process?</p> <p>20 MS. HUGHEY: Objection, vague.</p> <p>21 BY MR. ROBERTSON:</p> <p>22 Q Which is why it's more than double the</p> | <p>417</p> <p>1 marketplace players in this arena, correct?</p> <p>2 MS. HUGHEY: Objection, mischar- --</p> <p>3 mischaracterizes this witness's earlier testimony.</p> <p>4 BY MR. ROBERTSON:</p> <p>5 Q Why don't you refresh me? What's the</p> <p>6 source of your information for the market shares of</p> <p>7 the players in this electronic procurement market?</p> <p>8 A I looked at an analyst report on ERP.</p> <p>9 Q Who was the analyst? Gartner?</p> <p>10 A Well, I believe -- I'm trying to remember.</p> <p>11 One -- one was Forrester, the other was Gartner, and</p> <p>12 one was -- one was an ERP report and the other was a</p> <p>13 supply chain. I just -- I can't remember exactly</p> <p>14 which one was which.</p> <p>15 Q When did you look at those? Recently?</p> <p>16 A Recently.</p> <p>17 Q For purposes of preparing yourself for this</p> <p>18 topic?</p> <p>19 A Yes.</p> <p>20 Q Okay. Did you have all those in your</p> <p>21 possession or did you have to go track them down</p> <p>22 somewhere?</p> |
| <p>416</p> <p>1 price?</p> <p>2 A The Procurement application is -- is</p> <p>3 required to do procurement.</p> <p>4 Q And the Requisitions Self-Service is sort</p> <p>5 of an add-on module that provides a little bit more</p> <p>6 versatility to the product, correct?</p> <p>7 A It's a -- it's an add-on module that, you</p> <p>8 know, provides additional requisitioning option.</p> <p>9 Q And that was a factor that went into the</p> <p>10 determination of what an appropriate price point</p> <p>11 would be and what the market would bear, right?</p> <p>12 A Yes.</p> <p>13 Q Let's go to Topic No. 6 of Exhibit 22,</p> <p>14 which is essentially sort of the participants in the</p> <p>15 market for these electronic Procurement applications</p> <p>16 we've been talking about, and the relative share of</p> <p>17 those players, including Lawson's share of the</p> <p>18 market, okay. Are you with me on that?</p> <p>19 A Okay.</p> <p>20 Q Yesterday I understood you to testify that</p> <p>21 the source of the information for this topic would</p> <p>22 be an industry analyst's report that identified</p> | <p>418</p> <p>1 A I had those in my possession.</p> <p>2 Q Do you currently still have them available</p> <p>3 to you?</p> <p>4 A Yes.</p> <p>5 Q Did you have them in electronic format or</p> <p>6 in a hard copy?</p> <p>7 A Electronic.</p> <p>8 Q Okay.</p> <p>9 MR. ROBERTSON: Counsel, I'd request that</p> <p>10 you would produce and identify whatever reports that</p> <p>11 Mr. Lohkamp considered when he prepared for</p> <p>12 answering these questions.</p> <p>13 BY MR. ROBERTSON:</p> <p>14 Q Okay. I didn't mean to interrupt you. Was</p> <p>15 that the only source of your information with</p> <p>16 respect to the relative market shares of the players</p> <p>17 in the electronic procurement arena?</p> <p>18 A The other source is the HIMSS Analytics,</p> <p>19 and that was for market share within healthcare and</p> <p>20 the materials management and ERP area.</p> <p>21 Q And that was contained in that report, the</p> <p>22 HIMSS Analytics?</p> |

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| <p>419</p> <p>1 A Yes.</p> <p>2 Q HIMSS, that's the industry organization</p> <p>3 that sponsors an event that you attend on an annual</p> <p>4 basis?</p> <p>5 A Yes.</p> <p>6 Q Or that you have attended? Let me</p> <p>7 suggest -- they have it on annual basis. You've</p> <p>8 attended it in the past?</p> <p>9 A Yes.</p> <p>10 Q Is that a recent analytic report?</p> <p>11 A The version I reviewed was run several</p> <p>12 months ago.</p> <p>13 Q Okay. And you still have that available to</p> <p>14 you?</p> <p>15 A Yes.</p> <p>16 Q Okay.</p> <p>17 MR. ROBERTSON: Rachel, we'd also</p> <p>18 respectfully request that you identify and produce</p> <p>19 that report as well.</p> <p>20 BY MR. ROBERTSON:</p> <p>21 Q Okay. What did you determine from the</p> <p>22 review of those reports?</p> | <p>421</p> <p>1 Q Okay. Did you generally find those reports</p> <p>2 to be reliable in your assessment?</p> <p>3 MS. HUGHEY: Objection, vague.</p> <p>4 THE WITNESS: I mean, we look at those</p> <p>5 analyst reports as a -- you know, some -- some</p> <p>6 information that's valid in the marketplace.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q Was the data consistent with your</p> <p>9 experience in the industry?</p> <p>10 A It appeared to be consistent, yes.</p> <p>11 Q I mean, did you have any reason to believe</p> <p>12 that some of the metrics you were looking at were</p> <p>13 just way off as respect -- you know, with respect to</p> <p>14 the, you know, the identification of Lawson's market</p> <p>15 share compared to others?</p> <p>16 A No, I didn't have any reason to believe</p> <p>17 that.</p> <p>18 Q Okay. In the ERP area, which is what some</p> <p>19 of the reports focused on, who is -- who had the</p> <p>20 number one market share?</p> <p>21 A I believe it was SAP.</p> <p>22 Q Who was number 2?</p> |
| <p>420</p> <p>1 A I mean, from the review of the ERP, Lawson</p> <p>2 is sixth largest. It's about 1 percent of the ERP</p> <p>3 market. In the supply chain we -- our market share</p> <p>4 was in the single digits, I believe around 5 -- 5</p> <p>5 percent. And the HIMSS Analytics for healthcare</p> <p>6 materials management, for hospitals over 250 beds we</p> <p>7 had about a 30 percent market share in terms of</p> <p>8 installs.</p> <p>9 Q In terms of installs? What do you mean by</p> <p>10 that?</p> <p>11 A The HIMSS Analytics report is based on</p> <p>12 hospital survey saying what system they've</p> <p>13 installed.</p> <p>14 Q Okay. So were those reports that you've</p> <p>15 identified the only source of your information on</p> <p>16 market share?</p> <p>17 A Yes.</p> <p>18 Q Do you have any other independent knowledge</p> <p>19 that would assist you in providing responsive</p> <p>20 answers to questions as to market share other than</p> <p>21 these reports?</p> <p>22 A Not detailed numbers, no.</p> | <p>422</p> <p>1 A I believe it was Oracle.</p> <p>2 Q Do you recall who number 3 was?</p> <p>3 A I do not recall exactly who was number 3.</p> <p>4 Q Between SAP and Oracle, did they have more</p> <p>5 than 50 percent of the market share of ERP?</p> <p>6 A I don't -- I don't recall the -- the two</p> <p>7 numbers.</p> <p>8 Q But you were -- Lawson was less than 1</p> <p>9 percent; is that right?</p> <p>10 A Yes.</p> <p>11 Q Okay. As far as the HIMSS Analytics</p> <p>12 report, I understood you to say Lawson was number --</p> <p>13 excuse me -- was about 6 percent. Is that right, or</p> <p>14 was it number six?</p> <p>15 A No. For the HIMSS Analytics, I said there</p> <p>16 were about 30 percent hospitals over 250 beds in</p> <p>17 terms of installs.</p> <p>18 Q And what percentage of that was the overall</p> <p>19 marketplace?</p> <p>20 A I'm not certain how the 250-bed versus the</p> <p>21 other sizes.</p> <p>22 Q Well, did it -- did it discuss the other</p> |

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| <p>423</p> <p>1 participants in the market in the healthcare sector?</p> <p>2 A Yes, it did.</p> <p>3 Q Okay. Who were the players?</p> <p>4 A The players that I recall are Meditech,</p> <p>5 McKesson, Oracle, SAP, MediClick. I'm not sure who</p> <p>6 else was on the list.</p> <p>7 Q Okay. Who -- who was number 1? Do you</p> <p>8 recall?</p> <p>9 A For the 250-bed?</p> <p>10 Q Yes.</p> <p>11 A Lawson was number 1.</p> <p>12 Q I think you mentioned that there were some</p> <p>13 market studies that involved just Supply Chain</p> <p>14 Management?</p> <p>15 A Yes.</p> <p>16 Q Okay. Do you recall specifically which</p> <p>17 ones they were, if you do?</p> <p>18 A Yeah, I -- as I mentioned, I don't remember</p> <p>19 whether it was a Gartner or a Forrester report.</p> <p>20 Q Okay. What did the report disclose to you</p> <p>21 with respect to the SCM market?</p> <p>22 A It -- it talked about the market size and</p> | <p>425</p> <p>1 A Yes.</p> <p>2 Q Okay. And I asked you as to what you did</p> <p>3 to identify other instances of competition that may</p> <p>4 have occurred with ePlus, and I understood you to</p> <p>5 say you had talked to some individuals, you had run</p> <p>6 a query against the competitive database and in the</p> <p>7 past you've reviewed -- was it the procurement wave</p> <p>8 report that identifies other competitors in the</p> <p>9 marketplace?</p> <p>10 A I reviewed the eProcurement Wave, yes.</p> <p>11 Q And who publishes that, again?</p> <p>12 A Forrester.</p> <p>13 Q You've been identified for a topic that</p> <p>14 includes Lawson's competition with ePlus in this</p> <p>15 electronic procurement area, including the</p> <p>16 identification of potential or actual customers or</p> <p>17 contracts lost or won. My question is, other than</p> <p>18 what you've identified for me yesterday as to what</p> <p>19 you did to find instances where there may be</p> <p>20 competition of ePlus, did you undertake any other</p> <p>21 efforts?</p> <p>22 A No.</p> |
| <p>424</p> <p>1 the relative share of the different -- different</p> <p>2 vendors.</p> <p>3 Q Okay. Who were the players?</p> <p>4 A I don't recall all the players. I know</p> <p>5 Oracle and SAP were listed there.</p> <p>6 Q Did they have the largest market share?</p> <p>7 A I don't recall.</p> <p>8 Q You don't recall who number one was?</p> <p>9 A No, I don't recall.</p> <p>10 Q And did I understand you to say that Lawson</p> <p>11 was less than 1 percent of the market?</p> <p>12 A No.</p> <p>13 Q What was Lawson's percentage?</p> <p>14 A It was in single digits, and I recall about</p> <p>15 5 percent --</p> <p>16 Q Okay.</p> <p>17 A -- 6 percent.</p> <p>18 Q Thank you. Yesterday we were talking about</p> <p>19 the -- your experience in seeing ePlus in the</p> <p>20 marketplace in competition. In particular, we</p> <p>21 talked about the Cleveland Clinic contract. Do you</p> <p>22 recall that?</p> | <p>426</p> <p>1 Q Am I correct that you spoke to then just</p> <p>2 one solutions consultant and one account executive</p> <p>3 in your effort to determine competition with ePlus?</p> <p>4 MS. HUGHEY: Objection, mischaracterizes</p> <p>5 the witness's testimony.</p> <p>6 THE WITNESS: No.</p> <p>7 BY MR. ROBERTSON:</p> <p>8 Q Okay. What other solution consultants or</p> <p>9 account executives did you speak to, to determine</p> <p>10 whether there was competition with ePlus in the</p> <p>11 marketplace for an electronic Procurement</p> <p>12 application?</p> <p>13 A I -- I spoke with two of the account</p> <p>14 executives.</p> <p>15 Q And who would they be?</p> <p>16 A Bob Pogyor and Megan Evans.</p> <p>17 Q Okay. Anybody else?</p> <p>18 A I talked to our solution consultants.</p> <p>19 Q Who?</p> <p>20 A Brett Weiss, Anna Kirsch, Lyndon</p> <p>21 Sidelinger, Joe Simpson, and Mike Peterson.</p> <p>22 Q Okay. Anybody else?</p> |

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| <p>427</p> <p>1 A Not that I can recall.</p> <p>2 Q Are those all the solution consultants and</p> <p>3 all of the sales account executives involved in the</p> <p>4 Procurement application solution market for Lawson?</p> <p>5 A No.</p> <p>6 Q Why did you select those individuals over</p> <p>7 the others?</p> <p>8 A I selected all of the procurement solution</p> <p>9 consultants. So I talked to all the ones that do</p> <p>10 the demos. They selected the account executives</p> <p>11 because -- one, because of the Cleveland Clinic.</p> <p>12 The second one because of a couple deals where --</p> <p>13 Novant deal as well as the deal with Clarian to see</p> <p>14 if we were competing at all against ePlus.</p> <p>15 Q Okay. Why did you select Novant?</p> <p>16 A I selected Novant because in speaking with</p> <p>17 our legal team, they mentioned that Novant had come</p> <p>18 up as a possible.</p> <p>19 Q Who had been the account executive for</p> <p>20 Novant in the ones that you identified, sir?</p> <p>21 A Megan Evans.</p> <p>22 Q Okay. She had no information with respect</p> | <p>429</p> <p>1 A I'm not aware.</p> <p>2 Q Are you aware of a company called Wolters</p> <p>3 Kluwer or Wolters Kluwer?</p> <p>4 A No, I'm not.</p> <p>5 Q Is Hanes brands currently a customer of</p> <p>6 Lawson for electronic procurement, to your</p> <p>7 knowledge?</p> <p>8 A I don't know.</p> <p>9 Q Okay. What about XM Radio?</p> <p>10 A I don't know.</p> <p>11 Q How about Novant Health?</p> <p>12 A Novant Health is a Procurement customer.</p> <p>13 (Lohkamp Deposition Exhibit 28 was</p> <p>14 marked for identification and was attached to the</p> <p>15 deposition transcript.)</p> <p>16 BY MR. ROBERTSON:</p> <p>17 Q Let me show you, Mr. Lohkamp, what I've</p> <p>18 marked -- marked as Lohkamp Exhibit 28. Ask you to</p> <p>19 take a look at that, and while you do that, let me</p> <p>20 identify it for the record as Lawson Revenue</p> <p>21 Accounting - Product, document title. It bears the</p> <p>22 Bates label of LE 00150853 through '868.</p> |
| <p>428</p> <p>1 to ePlus competing for that customer?</p> <p>2 A No, she did not.</p> <p>3 Q I mean, nothing prevented you from sending</p> <p>4 out an e-mail, let's say, to all the account</p> <p>5 executives who deal with electronic procurement to</p> <p>6 determine if any of them had heard about ePlus in</p> <p>7 the marketplace, right?</p> <p>8 A Correct.</p> <p>9 Q You could have done that, right?</p> <p>10 MS. HUGHEY: Objection, asked and answered.</p> <p>11 THE WITNESS: Yes.</p> <p>12 BY MR. ROBERTSON:</p> <p>13 Q Okay. Are you aware that ePlus has</p> <p>14 competed with Lawson for Hanes brands customer?</p> <p>15 MS. HUGHEY: Objection, foundation.</p> <p>16 MR. ROBERTSON: I'm asking if you're aware.</p> <p>17 I'm trying to get the foundational question.</p> <p>18 THE WITNESS: I'm not aware.</p> <p>19 BY MR. ROBERTSON:</p> <p>20 Q Okay. How about XM Radio, are you aware</p> <p>21 whether ePlus has competed with Lawson for</p> <p>22 electronic procurement for XM Radio?</p> | <p>430</p> <p>1 And my preliminary question is, have you</p> <p>2 seen this document before?</p> <p>3 A No.</p> <p>4 Q Do you have any idea what it is?</p> <p>5 A No. I'm not aware of what it is.</p> <p>6 Q You know, we've talked about this contract</p> <p>7 revenues and when revenue for various software</p> <p>8 products is booked. Why don't you take a look at</p> <p>9 page that ends '855. Does this have anything to do</p> <p>10 in your view with the Lawson revenue recognition</p> <p>11 policy for that revenue?</p> <p>12 Let me ask it differently. Do you know</p> <p>13 whether or not this is the Lawson revenue</p> <p>14 recognition policy for booking the revenues</p> <p>15 associated with sales of software products?</p> <p>16 A No, I do not know.</p> <p>17 Q Okay. That's all I have for that one.</p> <p>18 A Okay.</p> <p>19 MR. ROBERTSON: Why don't we take a short</p> <p>20 break, and I may be done.</p> <p>21 MS. HUGHEY: Great.</p> <p>22 THE VIDEOGRAPHER: We are going off the</p> |

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| <p>431</p> <p>1 record. The time is 2:03 p.m.</p> <p>2 (Recess.)</p> <p>3 THE VIDEOGRAPHER: We are back on the</p> <p>4 record. The time is 2:04 p.m.</p> <p>5 MR. ROBERTSON: I have no further</p> <p>6 questions. Thank you, Mr. Lohkamp, for your time.</p> <p>7 THE WITNESS: Thank you.</p> <p>8 EXAMINATION BY COUNSEL FOR DEFENDANT</p> <p>9 BY MS. HUGHEY:</p> <p>10 Q Keith, I understand from your testimony</p> <p>11 that ePlus was not a competitor of Lawson; is that</p> <p>12 correct?</p> <p>13 MR. ROBERTSON: Objection, leading.</p> <p>14 THE WITNESS: Yes.</p> <p>15 BY MS. HUGHEY:</p> <p>16 Q You talked about the Cleveland Clinic bid</p> <p>17 process. It's my understanding that you testified</p> <p>18 earlier that as far as you knew ePlus was not</p> <p>19 competing with Lawson; is that correct?</p> <p>20 MR. ROBERTSON: Same objection.</p> <p>21 THE WITNESS: Yes.</p> <p>22 BY MS. HUGHEY:</p> | <p>433</p> <p>1 BY MS. HUGHEY:</p> <p>2 Q Are you aware of a single customer that</p> <p>3 would not have purchased an S3 system if Lawson did</p> <p>4 not offer Procurement Punchout?</p> <p>5 A I'm not aware of a specific customer.</p> <p>6 Q Okay. As far as you know, does even</p> <p>7 customer that has Procurement Punchout use that</p> <p>8 feature?</p> <p>9 MR. ROBERTSON: Objection, leading.</p> <p>10 THE WITNESS: Not all customers that have</p> <p>11 it use it.</p> <p>12 BY MS. HUGHEY:</p> <p>13 Q Okay.</p> <p>14 MS. HUGHEY: I have no further questions.</p> <p>15 MR. ROBERTSON: No questions.</p> <p>16 THE VIDEOGRAPHER: This marks the end of</p> <p>17 the deposition. We're going off the record. The</p> <p>18 time is 2:06 p.m.</p> <p>19 (Signature having not been discussed,</p> <p>20 the deposition of Keith David Lohkamp was concluded</p> <p>21 at 2:06 p.m.)</p> <p>22</p> |
| <p>432</p> <p>1 Q And I understand SciQuest was involved in</p> <p>2 that process?</p> <p>3 A Yes.</p> <p>4 Q Did you have an understanding of who</p> <p>5 SciQuest was competing with?</p> <p>6 A Yes.</p> <p>7 Q Who was that?</p> <p>8 A ePlus.</p> <p>9 Q Was it your understanding that both ePlus</p> <p>10 and Lawson could have gotten that business at</p> <p>11 Cleveland Clinic?</p> <p>12 A I believe both could.</p> <p>13 Q Okay. And I don't know if we covered this</p> <p>14 before, but did you have any knowledge that ePlus</p> <p>15 had any patents prior to the filing of this lawsuit?</p> <p>16 A No.</p> <p>17 Q Okay. And we talked about the S3 product a</p> <p>18 bit. Is it your understanding that the customers</p> <p>19 would still buy S3 even if punchout -- Procurement</p> <p>20 Punchout was not offered?</p> <p>21 MR. ROBERTSON: Objection, leading.</p> <p>22 THE WITNESS: Yes.</p> | <p>434</p> <p>1 (The following Acknowledgement of</p> <p>2 Deponent Page is included in the event at the</p> <p>3 conclusion of Keith David Lohkamp's deposition he</p> <p>4 elects to read and sign his deposition transcript.)</p> <p>5 * * *</p> <p>6 ACKNOWLEDGMENT OF DEPONENT</p> <p>7 I, Keith David Lohkamp, do hereby acknowledge</p> <p>8 that I have read and examined the foregoing</p> <p>9 testimony, and the same is a true, correct and</p> <p>10 complete transcription of the testimony given by me,</p> <p>11 and any corrections appear on the attached Errata</p> <p>12 sheet signed by me.</p> <p>13</p> <p>14 _____</p> <p>15 (DATE) (SIGNATURE)</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> |

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| <div style="text-align: right; font-size: small;">435</div> <p>1 CERTIFICATE OF SHORTHAND REPORTER-NOTARY PUBLIC</p> <p>2 I, Joan V. Cain, Court Reporter, the officer</p> <p>3 before whom the foregoing deposition was taken, do</p> <p>4 hereby certify that the foregoing transcript is a</p> <p>5 true and correct record of the testimony given; that</p> <p>6 said testimony was taken by me stenographically and</p> <p>7 thereafter reduced to typewriting under my direction</p> <p>8 and that I am neither counsel for, related to, nor</p> <p>9 employed by any of the parties to this case and have</p> <p>10 no interest, financial or otherwise, in its outcome.</p> <p>11 IN WITNESS WHEREOF, I have hereunto set my</p> <p>12 hand and affixed my notarial seal this 27th day of</p> <p>13 October 2009.</p> <p>14</p> <p>15 My commission expires:</p> <p>16 June 14, 2014</p> <p>17 _____</p> <p>18 NOTARY PUBLIC IN AND FOR THE</p> <p>19 DISTRICT OF COLUMBIA</p> <p>20</p> <p>21</p> <p>22</p> | <div style="text-align: right; font-size: small;">437</div> <p>1 ERRATA SHEET CONTINUED</p> <p>2 IN RE: ePlus, Inc. v. Lawson Software, Inc.</p> <p>3 RETURN BY: _____</p> <p>4 =====</p> <p>5 PAGE LINE CORRECTION AND REASON</p> <p>6 =====</p> <p>7 _____</p> <p>8 _____</p> <p>9 _____</p> <p>10 _____</p> <p>11 _____</p> <p>12 _____</p> <p>13 _____</p> <p>14 _____</p> <p>15 _____</p> <p>16 _____</p> <p>17 _____</p> <p>18 _____</p> <p>19 _____</p> <p>20 _____</p> <p>21 _____</p> <p>22 (DATE) (SIGNATURE)</p> |
| <div style="text-align: right; font-size: small;">436</div> <p>1 ERRATA SHEET</p> <p>2 IN RE: ePlus, Inc. v. Lawson Software, Inc.</p> <p>3 RETURN BY: _____</p> <p>4 =====</p> <p>5 PAGE LINE CORRECTION AND REASON</p> <p>6 =====</p> <p>7 _____</p> <p>8 _____</p> <p>9 _____</p> <p>10 _____</p> <p>11 _____</p> <p>12 _____</p> <p>13 _____</p> <p>14 _____</p> <p>15 _____</p> <p>16 _____</p> <p>17 _____</p> <p>18 _____</p> <p>19 _____</p> <p>20 _____</p> <p>21 _____</p> <p>22 (DATE) (SIGNATURE)</p> | |

CERTIFICATE OF SERVICE

I hereby certify that on the 11th day of August, 2010, I will electronically file the foregoing

**PLAINTIFF ePLUS INC'S OBJECTIONS TO DEFENDANT'S COUNTER
DEPOSITION DESIGNATIONS, COUNTER-COUNTER DESIGNATIONS
AND REVISED SUMMARY OF THE DEPOSITION OF
KEITH LOHKAMP (OCT. 20 AND 21, 2009)**

with the Clerk of Court using the CM/ECF system which will then send a notification of such filing (NEF) via email to the following:

Daniel McDonald, *pro hac vice*
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